

BLUEPRINT FOR
**AFFORDABLE
HOUSING**

AN ACTION PLAN
for the City of Gainesville



PREPARED BY:
The Florida Housing Coalition
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Gainesville Housing Action Plan

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Executive Summary

The City of Gainesville has a vision for housing: a city where renters and owners, at every income and ability level, stage of life, race and ethnicity, have access to safe and affordable housing now and into the future. Housing is a commodity, but it is also a basic human need. Without access to safe housing that they can afford, people struggle to find and maintain consistent employment, children do worse in school, and overall health declines. Without a strong supply of affordable housing, employers have trouble finding employees, essential jobs go unfilled, and the whole community struggles to grow.

This plan is intended to implement and support programs, policies, and funding sources to support the City's vision. The process for this plan started in 2018 as part of the City of Gainesville's response to affordable housing and gentrification concerns across the City. Over two years, the City of Gainesville and the Florida Housing Coalition (Coalition) conducted surveys, one on one and group meetings with key stakeholders and City officials, and a series of housing forums to discuss, prioritize, and focus the strategies included in this plan. The Coalition reviewed Gainesville's Consolidated and Comprehensive plans along with the City's Zoning Code; the Analysis of Impediments to Fair Housing; and local data from the US Census, HUD, and other sources to create a profile of the City, and identify barriers to housing access for low-income, minority households in Gainesville. The recommendations in this plan are the results of an in-depth study of Gainesville's demographic and housing data and pre-existing plans and policies, along with input from hundreds of residents through in-person meetings and surveys. This plan seeks to be data-driven and data-responsive. Many of the recommendations here align with the City's existing goals laid out in previously completed plans. The appendix lays out the affordable housing and demographic landscape of Gainesville. This plan also includes metrics to help assess the effectiveness and track progress towards the City's affordable housing vision.

The plan identifies the following formula for a community that is successfully addressing housing affordability and notes where Gainesville can make improvements:

- Land use planning that is responsive to the need for housing that is affordable
- Diverse and focused financial resources
- Government and nonprofit focus on long-term assurances and equitable (re)development

To increase affordability in Gainesville, the housing action plan provides three strategies and 13 sub-strategies:

1. Diversify Funding Sources
 - a. Linkage Fees

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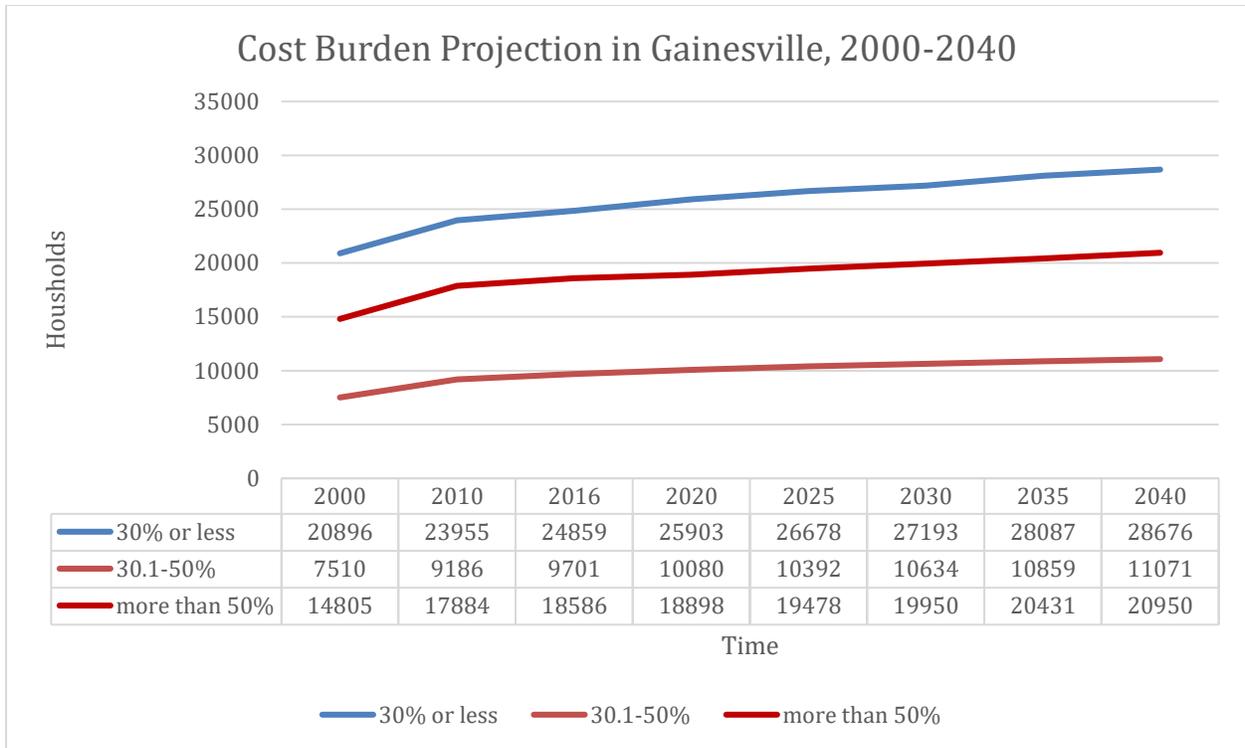
- b. Partnerships with Employers
 - c. Inventory Public, Institutional, and Otherwise Underutilized Land for Appropriateness for Housing Development
 - d. Continue Advocacy for SHIP
 - e. Devote General Revenue
2. Increase Zoning Flexibility with a Focus on Accessory Dwelling Units
 - a. Facilitate the Increase of Accessory Dwelling Units
 - b. Allow More Housing Types and Sizes “By Right”
 - c. Provide Development Incentives and Waive or Reduce Fees for Affordable Housing
 - d. Expedite Review Processes Whenever Possible
 3. Increase Equity by Promoting Permanent Affordability
 - a. Support a Community Land Trust
 - b. Prioritizing Land for Permanent Affordability
 - c. Structuring Subsidy Sources for Permanent Affordability
 - d. Assign an Employee to Implement a Policy Review Process for Housing and Equity

This report analyzed data from existing plans, the Shimberg Center for Housing Studies, and the 2018 American Community Survey to provide an overview of the City’s housing needs. The primary findings of this analysis are:

High Incidence of Cost Burden

When families pay more than 30% of their income towards housing, they are considered “cost burdened.” Being cost burdened makes it extremely difficult to save and often means that a single emergency (a broken-down car, a large healthcare bill, the loss of a job, etc.) will leave these families without a home. In Gainesville, many common, essential jobs for people like police officers, retail workers, and teachers do not pay enough for their workers to afford housing.

Low income older adults struggle to pay rental or owner costs in Gainesville. While older adults are, on average, wealthier than younger people, the older adults in Gainesville that are low income are overwhelmingly cost burdened. Cost burdened seniors are more likely to face horrific choices between life-saving healthcare, food, and housing than other groups because they mostly live on fixed incomes. Close to 50% of Gainesville’s residents pay more than 30% of their income towards housing. The number of households struggling to pay for housing will continue to increase without changes.



Poverty and Large Income Inequalities

Homeowners tend to be wealthier than renters everywhere, but the divide is more pronounced in Gainesville. The median owner household in Gainesville makes close to the median household income in the country: \$64,770. Renters, meanwhile, make only \$24,856, close to a third of what owners make. While some of this divide is partly explained by Gainesville's large student population, a 2018 US Census measurement that excluded students from 2016 poverty related data showed that Gainesville's poverty rate (without students) was still almost double the national average.

Median income for all households is dramatically higher in northwest Gainesville than it is in the southwest quadrant near the University of Florida's (UF) campus (where median incomes are among the lowest in the City) and in east Gainesville. Median incomes range from as low as \$11,538 in areas near UF to \$98,974, in the northwest. In east Gainesville, where many long term, non-student, African American households live, median incomes range from \$18,444 to \$32,317. In summary, the median income in most census tracts to the east of downtown are as low as half the Citywide median incomes. This information is explored in more depth in Appendix 1.

The City's Vision for Housing

Housing for All Housing Tenure

Both homeowner and renter households deserve safe housing of their choice that they can afford. Housing strategies need to address affordability for both tenures. Addressing this need will include a variety of strategies to ensure all neighborhoods have affordable homeownership and rental opportunities.

Housing for All Needs

Not only does this plan seek to address housing affordability for both renter and owner households, but it also seeks to encourage housing that best meets the needs of a variety of families. This includes allowing smaller units (for Gainesville's relatively small family size), housing for seniors and people with special needs, and housing for people of all races and ethnicities. Housing needs to be well-integrated into neighborhoods, with access to transportation and other services and amenities.

Housing for the Future

Housing is a basic need. Without an adequate supply of housing, Gainesville's children will not be able to afford to live in the City when they grow up, the community's schools and businesses will have trouble attracting and keeping workers, and the whole community suffers. By providing market-rate and assisted housing in Gainesville that people can afford, the City is investing in a future for Gainesville that is inclusive and accessible for all.

Formula for Housing Affordability

Florida law states that local governments are legally required to plan for the provision of housing for all current and anticipated future residents of the jurisdiction (Housing Element requirement found in § 163.3177, F.S.) However, local governments (generally) do not build affordable housing. They use their land use and financing tools to encourage the private sector to produce housing that is affordable. The primary tools are land use planning laws and financial subsidy, using incentives and required periods of time properties must remain affordable in exchange for those incentives.

Land Use Planning

Land use development regulations establish the rules for where and what kind of buildings can be built. These regulations are an important way for communities to lay out safety, aesthetic, and quality of life requirements. However, over the last several decades, local governments have built up a thick web of regulations that curtail developers, landowners, and residents from using their land the way they want and for its best use. One of the most common restrictions on land use is “single-family zoning,” which only allows single, fully detached homes, usually at a low density. By requiring so much space for each home, single-family zoning drives up housing and transportation costs, requires higher government expenditures, and increases economic segregation.

Restrictive zoning codes also come with an ugly racial history. Many scholars agree that zoning restrictions were implemented in part to make it more difficult for racial minorities to move into wealthier, whiter neighborhoods even after the passage of the Fair Housing Act of 1968 which barred racial discrimination in housing. The outcome of these practices has been racial and economic segregation. Gainesville is no exception. According to the Gainesville/Alachua County Joint Assessment of Fair Housing (AFH), African Americans are the most segregated from other races in Gainesville and lack access to transit, jobs, and housing. Reducing zoning regulation is one of the highest priority goals from the AFH. By allowing for a wider variety of housing types and by lowering the cost of regulation for housing, the City of Gainesville can make sure its well-intentioned laws are not actually hurting housing affordability. Reviewing and updating zoning codes for flexibility seeks to expand the property rights of landowners and increase equity and access for lower income households, particularly in higher priced neighborhoods.

The Preponderance of Single-Family Homes

Zoning for higher densities and more types of housing begins to address the affordability gap primarily by reducing land costs per unit. As more units can be produced in a location, supply can

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be increased, demand can be met, and prices decrease or flatten. Unfortunately, the vast majority of Gainesville's urban area (even more so when nature reserves, agricultural land, and the University are excluded) is zoned RSF-1, RSF-2, RSF-3, and RSF-4. These zones only allow single-family homes to be built. RSF-1 alone, the most restrictive and least dense development, represented the nearly half of unbuilt residential lots as of the 2000 data collection cited in the Future Land Use Element of the current Comprehensive Plan. By increasing density and allowing different types of homes to be built on these currently empty lots by right, the City could dramatically increase its supply of housing and the types of housing it builds to promote wider affordability and equity. By allowing parcels in zones RSF-1 to 4 to contain duplexes or triplexes, for example, more housing supply can be built overall.

Strict zoning codes enacted since the 1970s have reduced the variety of housing in cities across the country, including Gainesville. With an average household size (2.38) smaller than the national average (2.6), Gainesville's housing stock is larger and has more bedrooms than most households need. A variety of housing at various sizes and styles allows people to purchase or rent the housing that works for their families instead of living in a home that does not serve them well or costs more than they can afford.

The Gainesville/Alachua Joint Assessment of Impediments to Fair Housing Choice (AI) states that providing a wider variety of affordable housing types and sizes is a high priority to further fair housing, along with a broader geographic disbursement of this type of housing. Data provided by the Shimberg Center has also found that there is a high need for small (1-2 person) households to find smaller units that are more affordable. It also finds zoning laws that prohibit development of smaller units such as accessory dwelling units are among the major contributors to unaffordability and economic segregation in the City.

The Lack of Greenfield Sites and Need for Redevelopment

It is often cheaper to build new developments on large greenfield (undeveloped) sites. Unfortunately, such sites are rare in developed cities like Gainesville and thus new housing construction, both affordable and market rate, often happens farther and farther from downtown and other major employment centers, and outside of established neighborhoods. This makes it more difficult for low income residents to access jobs and services and increases their transportation related costs. Instead, strategies need to work to create new construction opportunities in already developed areas and preserve existing housing that is affordable through acquisition and rehabilitation.

Financial Resources

Housing prices are not only derived from the cost of development, but rather what buyers and renters are willing to pay. So, by definition, market rate housing is priced at whatever the market will bear. Growing disparity in wealth leads to housing prices that vastly outpace workforce salaries. Therefore, in addition to effective land use policies that increase the overall supply of housing, local governments must provide financial incentives to the private sector to produce housing that is affordable for essential low- and moderate-income workers and retired seniors.

There are a variety of state and federal funding sources for affordable housing (SHIP, SAIL, HOME, CDBG), but the funding for these programs has effectively declined over time as funding levels have not kept pace with growing costs and growing need. More and more, local governments are turning to local solutions for affordable housing funding. This plan provides a variety of potential funding sources to build and preserve housing that is affordable in Gainesville.

Long-Term Assurances and Equitable (Re)Development

The high cost of land and the costs of development must be recouped. The most effective way to do this is through long-term assurances of housing affordability, preserving the public investment through subsidies and other incentives for the public good. Long-term assurances cause the value of the public investment to grow with time as development costs and housing prices grow.

Affordable Housing Inventory at Risk

Publicly supported affordable housing is a key part of ensuring people have access to housing they can afford in any market. However, much of the state's assisted housing inventory is at risk due to expiring affordability requirements. According to the Shimberg Center, 230 units of assisted housing are at risk over the next 10 years (2020-2030) of being lost from the affordable housing inventory. This number may seem small, but it may take as many years to replace these units within the timelines and scope of traditional affordable housing financing. Meanwhile, the Shimberg Center's most recent Rental Market Study reports that 32% of renters are cost-burdened and there is a shortage of over 1,300 rental units for households at 60% of AMI or below.¹

¹ 2019 Rental Market Study. Shimberg Center for Housing Studies (2019) at: <http://flhousingdata.shimberg.ufl.edu/2019-rental-market-study.pdf> (last accessed 7/28/2020)

Racial and economic segregation in Gainesville

Gainesville is a City divided by income and race. South and east Gainesville residents, who are disproportionately low income and African American, have poor access to jobs, good schools, services, and amenities. As a college town, disparities between students, long term residents, and well-paid researchers and academics are stark. Long term residents are often frustrated with students trying to move into single family neighborhoods, igniting fears of lowering property values in more wealthy neighborhoods and displacement of residents in low income neighborhoods. New student housing construction also attracts its own ire, as much of the recent activity has come in the form of redevelopment encroaching upon affordable, historically African-American neighborhoods.

Affordable Housing Strategic Plan

This plan recommends high-impact strategies to expand housing affordability in Gainesville through a combination of incentives, policy changes, and funding sources. These strategies are grouped in the following manner:

- Diversifying Funding Sources
- Increasing Zoning Flexibility
- Promoting Permanent Affordability

These strategies address the issues of land use planning, financing, and long-term assurances addressed in the section above. They were developed after reviewing the City's housing related plans, holding a series of town meetings, reviewing nearly 800 respondents to housing related surveys, holding three in-person housing forums, and a review of the demographic and housing related data available from the federal government.

1) Diversify Funding Sources

The City of Gainesville receives annual funding from the State of Florida through the State Housing Initiatives Partnership (SHIP) program and directly from the federal government as a Community Development Block Grant (CDBG) entitlement community and HOME participating jurisdiction. These annual allocations, though helpful, are not enough to meet the City's affordable housing needs. Gainesville will need to add new funding sources to augment these existing sources to meet the need. This plan recommends several strategies to increase funding, including linkage fees on commercial developments and utilizing general revenue. While each of these strategies has its limitations and legal requirements, local housing-specific sources can provide streams of revenue with relatively few spending requirements, making such funds more flexible than state and federal funds.

A. Linkage Fees

Linkage fees are a way for local governments to collect a fee, typically on non-residential development but sometimes also on high-end market rate residential development to be placed in a housing trust fund for others to use in building affordable housing. The foundation for the linkage fee is the connection between the workforce housing needs generated by the industrial, commercial, or other development that generates employment, such as new hotels and newly-constructed commercial spaces in downtown and the university area. Linkage fees are set based on a balance between funding needed to meet a locality's affordable housing goals and ensuring development remains financially feasible. Fees are usually paid upfront at permitting. However, some localities allow payments to be made over time. Some also have allowable exceptions and exemptions for smaller developments or certain types of development. For example, nursing homes and assisted living facilities are typically exempt from paying linkage fees. Small businesses can be exempt from a linkage fee as well. Implementation of a linkage fee may require a nexus and feasibility study to determine the actual impact of new development of various types on demand for affordable housing as well as the maximum feasible fees development types can support in light of existing fees and other factors, though a nominal fee is unlikely to be challenged by developers. A simple linkage fee of \$1 per square foot could yield hundreds of thousands in funding for affordable housing. Alachua County is currently investigating such a nexus study. Please note that the 2020 Legislative Session's House Bill 1339 affirms the usage of linkage fees. It also requires cost offsets for linkage fees on residential or mixed-use residential properties but does not require cost offsets on commercial or other non-residential properties.

Examples:

The town of Jupiter, Florida has a linkage fee ordinance which requires all new commercial and industrial development exceeding 10,000 square feet of gross floor area, or development which expands or redevelops existing commercial or industrial development by more than 10,000 square feet of new gross floor area, to pay a linkage fee of \$1 per square foot. The ordinance is at section 27-3191 of the Jupiter, Florida Code. It contains standards for collection and exemptions and sets criteria for the town council to waive applicable linkage fees. Since its creation in 2015, the linkage fee has applied to at least eight new commercial or industrial developments and Jupiter has collected over \$179,000.

Coconut Creek, Florida established a linkage fee in 2006 which also only applies to non-residential development and varies in collections based on the type of use. For example, a linkage fee on an industrial development is assessed at \$0.37 per square foot while a linkage fee on a hotel is charged at \$2.42 per square foot. The ordinance, which is at section 13-112 of Coconut Creek's Code, also provides for exemptions and gives the developer the option to use an "independent impact analysis" to compute the impact fee due as a result of a development which must be approved by the development services director. The requirement to pay the housing impact fee

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may be adjusted or waived if the developer demonstrates, by substantial, competent evidence, that an insufficient nexus exists between the proposed use and the linkage fee. Although no new funds have been reported recently, according to its Consolidated Annual Performance Evaluation Report (CAPER), as of 2015, Coconut Creek committed and expended linkage fees of \$330,000 to a Sustainable Home Repair Program.

B. Partnerships with Employers

The City of Gainesville can work with the University of Florida, UF Health, Alachua County Schools, and other large employers to create an employer-assisted housing (EAH) program to support workforce housing for low- and moderate-income residents. An EAH program could be the result of a broad partnership with developers, lenders, a community land trust, or other 501(c)(3) housing organizations to help steward the program. Employers could offer their employees a payroll savings matching grant that could go along with the City's down-payment and closing cost assistance to help overcome the initial barrier to homeownership. They could also offer rental assistance or security deposit assistance to their employees. Other options for EAH programs include gap financing, land donation, or simply sponsoring homebuyer education and counseling services for employees.

A local EAH program could focus on administrative support and essential service personnel at large employers such as nurses' assistants, medical coders, office assistance, cleaners, and custodial workers. Not only would this be sound policy, but it would be politically advantageous to assist this critical subset of the workforce. The City, or a partner nonprofit, could administer the application and approval process, thus relieving employers from managing this process.

Example:

Howard University, the preeminent historically black college or university (HBCU) in the US, located in Washington D.C., has partnered with for-profit and nonprofit organizations to improve public infrastructure and housing opportunities for both low-income employees and low- and moderate-income residents in the areas around the university. As part of this initiative, they have purchased or allocated land they already owned for faculty, market rate, and affordable housing. Most recently, they constructed the Trellis House, which offers 319 apartment units, 36 of which are low income. Fifty of the market rate units are set aside for employees or students of the University. This project used no public funds.

C. Inventory Public, Institutional and Otherwise Underutilized Land for Appropriateness for Housing Development

While not a direct funding source, the ability to acquire land at below-market cost or no-cost can have the same effect as additional subsidy or other financing. The City can examine its inventory

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of surplus land as well as partner with other institutions such as the University of Florida, Alachua County Schools, Library System, Fire District and owners of underutilized commercial properties to create a database of properties suitable for affordable housing that could be donated, leased or sold a below-market prices for affordable housing development. The City could jointly manage this database and work with other stakeholders to develop policies for accessing properties in the database such as nonprofit first-look or rights of first refusal, agreement to serve targeted income levels and permanent affordability requirements.

City-owned Surplus Land

Florida law (FLA. STAT. § 125.379, FLA. STAT. § 166.0451), requires City and County governments to prepare a listing of government-owned, surplus properties that are suitable for affordable housing, describing the property and specifying whether the land is vacant or improved. The City may either donate this land to affordable housing nonprofits, sell such property and use the proceeds to support affordable housing, or sell the property with restrictions that require the land be developed for affordable housing.

Utilizing surplus land can be an extremely effective way to increase the supply of affordable housing while building the capacity of nonprofits and small (and potentially minority-owned) enterprises. The City of Gainesville is currently developing plans for a Vacant Land Donation Program for nonprofits to build affordable housing on City-owned land. To make sure that these donated lands have the highest impact possible, Gainesville could prioritize nonprofits that create permanently affordable housing, such as community land trusts. A surplus land policy can even include a list of prioritized nonprofits to help guide the donation process. This list can include other nonprofit developers such as community-based development organizations (CBDOs) and certified community housing development organizations (CHDOs).

The City could also update its affordable housing surplus land inventory more regularly. While state statute requires the list be updated every three years, by updating it more frequently Gainesville can better address its need for affordable housing.

Example:

The City of Tampa, through their HCD and Real Estate Departments, provides vacant property for the development of affordable housing, both single family, homeownership units, and multi-family developments. Any residential property acquired through the city's Real Estate Division that is in an HCD targeted area (in Gainesville, the city might use the GCRA map provided in Appendix 3) or that has HCD funding is transferred to the HCD department to be added to the Affordable Housing Inventory.

Once transferred to HCD, a member of their staff emails the department accountant to notify them that a property is being added to their roll and pulls the property information from the Property

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Appraisers to check if back taxes are owed, which can be paid through the city's HOPE 3 funds. The staff member also orders a title search to verify any outstanding liens through a city recognized vendor, and, if liens exist, works with the legal department to have liens released. If the property has existing structures, the HCD department checks with the Code Enforcement department to assess code violations. Finally, a field assessment is conducted to assess the need for boarding up or demolishing the structure, which is then conducted through a city vendor.

Once the property has been accepted and assessed by the Tampa HCD department, it is added to the internal master property file and the "Property Disposition" page on the Tampa HCD website (provided below). Properties are reviewed quarterly until disposed to make sure they are still up to code. Properties on the disposition list are disposed either through a request for proposal (RFP) or a negotiated sale, both with the goal of creating as much affordable housing as possible and returning vacant properties to the tax roll.

School Board Property

The City can also partner with the School Board to develop excess land for affordable housing. Pursuant to Section 1001.43(12) of the Florida Statutes, school boards have the authority to use portions of purchased school sites, land deemed not suitable for education purposes, or land declared as surplus by the board to provide sites for affordable housing for teachers and other school personnel. In a partnership with the School Board, the local governments can assist through the development process and provide resources as necessary to ensure that more housing opportunities are provided for these workers. School boards further have the authority to waive, reduce, or otherwise modify school impact fees.

Example:

The Jefferson Union High School District in Daly City, CA became the first school district in the country to create affordable housing using school board property specifically for teachers and other school staff. The project, approved and funded by a 2018 county-wide vote, broke ground in early 2020 on 122 affordable units. This received nationwide coverage and other school districts, both in California and nationally, have begun the process of building affordable housing for school employees on school board property.

In Florida, several counties have begun the process or initiated studies on the use of school-board-owned property for affordable housing, include Monroe County, Palm Beach County, and Broward County. As a response to rising housing prices in the Florida Keys that make it difficult to attract and retain teachers, the Monroe County School District began a process in 2018 to construct affordable housing units, releasing an RFP in early 2020 for the construction of affordable workforce units on property near the Sugarloaf School.

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Religious Congregation/Church Owned Property

Many congregations own large tracts of property that include underutilized parking facilities as well as vacant land that could be used to develop housing that is affordable. Congregations and religious leaders may have an interest in affordable housing, but likely do not understand the development process. The City could host a summit specifically for religious groups to learn about the process for developing affordable housing, financial programs, and available incentives. The City could also sponsor a capacity-building program along with other stakeholders to help congregations that are interested in developing affordable housing on their properties through the development process, including choosing a co-developer, understanding financing options, and navigating the underwriting process.

Example:

In 2016, the City of New York's Department of Housing Preservation and Development and the Mayor's Community Affairs Unit teamed up with the local office of Local Initiatives Support Council (LISC) to put out a call for churches and other religious, fraternal, or civic organizations interested in the development of affordable housing on their land. The New York Land Opportunity Program (NYLOP) focused primarily on congregations that had the desire to improve housing affordability in the city but didn't have the expertise to connect with affordable housing developers and preserve long term affordability.

NYLOP hosted four outreach workshops (attended by around 300 participants) that went over the basics of affordable housing development and acquainted people with NYLOP. NYLOP then put out an RFP and selected five congregations for the first program. Each congregation received technical assistance and partnership with affordable housing developers.

Vacant Commercial/Industrial Properties and Surface Parking Lots

House Bill 1339 from the 2020 Florida Legislative Session states that notwithstanding any other law, local ordinance, or regulation to the contrary, the board of county commissioners (or governing board of a municipality) may approve the development of housing that is affordable, as defined in Section 420.0004, on any parcel zoned for residential, commercial, or industrial use. With this law, the City has the authority to waive land development regulations to permit an affordable housing development in zones that otherwise do not permit residential development. This law facilitates the adaptive reuse of vacant commercial and industrial properties, and other underutilized parts of sites, such as surface parking lots, for affordable housing. The City could be proactive in identifying such sites that would be suitable for affordable housing development, including them in the database, simulating redevelopment schemes, and developing policies around how property owners could receive approval to develop housing on these properties.

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Examples:

In 2019, the City of St. Petersburg, Florida, produced a report titled the “Union Central District Plan” where it found that a staggering 40% of the study area (and area targeted for redevelopment) was made of surface parking lots. The study noted that “[t]his is an enormous amount of land that is under-performing and could be used for public amenities and generate additional tax revenue.”

The concept of repurposing underutilized parking lots for affordable housing has become more popular in recent years. In 2019, the City of San Mateo, California held neighborhood meetings, produced a community plan, and finalized an RFP to redevelop 235 city-owned surface parking stalls into 164 units of affordable housing.

D. Continue Advocacy for SHIP

Over two decades ago, a diverse coalition of Florida’s affordable housing advocates, business and industry groups, and faith-based organizations recognized the need for a dedicated state revenue source for affordable housing. In 1992, the state legislature passed the William E. Sadowski Affordable Housing Act. The Sadowski Act raised the state documentary stamp tax on deeds by ten cents per \$100 of the property’s value², and directed the new funds to two trust funds, one for local governments and one for the state.

The Local Government Housing Trust Fund supports the State Housing Initiatives Partnership (SHIP) program, which primarily funds the production and preservation of affordable ownership housing for low- and moderate-income households. The Florida Housing Finance Corporation (Florida Housing) uses a population-based formula to distribute SHIP funds to all 67 counties and to cities eligible for Community Development Block Grant (CDBG) funds. SHIP is most commonly used to support home construction, rehabilitation to make homes safe and/or handicapped accessible, and down payment assistance. The SHIP program is designed to give local governments the flexibility to meet local needs and preferences, as long as a few basic requirements are met. These requirements, found in Section 420.9075 of the Florida Statutes, include:

- At least 65% must be spent on homeownership activities
- At least 75% must be spent on construction (including new construction and rehabilitation)
- At least 30% must be used to assist very low-income households
- At least 60% must be used to assist low-income households

² In 1995, the State Legislature shifted another ten cents of documentary stamp tax revenue from general revenue to the Sadowski trust funds.

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- No more than 10% may be used on administration

The State Housing Trust Fund supports several activities, including administration of the Sadowski funds by Florida Housing. The main Sadowski-funded state program is the State Apartment Incentive Loan (SAIL) program. SAIL provides funding on a competitive basis for the construction of affordable multifamily rental housing. SAIL usually serves as “gap financing” for developments with other funding sources, such as the Low-Income Housing Tax Credit.

The Local Government Housing Trust Fund at the state level already establishes a permanent source of local funding for affordable housing in the City of Gainesville. However, this funding is subject to the appropriation process, which allows funds collected to be “swept” out of the trust fund and used for other purposes. For this reason, all the revenue collected for affordable housing is not always used for affordable housing. In 2020, the Legislature fully appropriated the funds in the trust fund, which would have provided the City of Gainesville with \$1,420,373. Unfortunately, the funds were vetoed by the Governor in favor of local governments utilizing federal Coronavirus Relief Funds (CRF) to address urgent needs, without the restrictions on construction or income.

In all cases, to increase the ability to use this already established source, we recommend increasing advocacy for full appropriation of the Sadowski Act trust funds. Advantages include:

- No new taxes – Full appropriation of the Sadowski Act’s Local Government Housing Trust Fund requires no new taxes. Instead, it uses tax revenue already collected for its intended purpose.
- No new legislation – Full appropriation of the Sadowski Act requires no new legislation, as the statute is already established in law. This alleviates the need for a lengthy campaign or voter referendum process.
- No additional administration – The Gainesville SHIP program is fully operational and additional funds could be programmed according to existing procedures.

Additionally, a push by City of Gainesville elected officials and housing practitioners would join the groundswell of advocacy and support throughout the state for full appropriation of the Sadowski Act trust funds. This support will only grow as revenue increases and other sources of funding, specifically federal sources, dwindle.

E. Devote General Revenue

General revenue funds can be used to address housing affordability. The City of Gainesville already uses general revenue to address homelessness. While general revenue must be allocated by the City commission, it is more flexible and has fewer outside restrictions than other sources of funding.

For Presentation

Example:

In 2019, Hillsborough County, Florida, voted to establish the Hillsborough County Affordable Housing Trust Fund with an annual commitment of at least \$10 million in county general funds. The ordinance establishing the local housing trust fund requires the Board of County Commissioners to adopt a biennial funding plan to be prepared by the Affordable Housing Services Department with the approval of the County's Affordable Housing Advisory Board. Funds can be used to provide loans or grants for projects to create and sustain affordable housing for very low-, low-, or moderate-income households. All funding must be made in accordance with the Biennial plan and administered by the Affordable Housing Services Department. The ordinance describes the policies and procedures for the funding.

In 2020, Orange County also passed an ordinance creating a local Affordable Housing Trust Fund that requires the local office of management and budget to ensure that at least \$10 million in county general revenue is set aside for the local Affordable Housing Program for the first year to increase by 10% each fiscal year for a total of \$160 million in general revenue over ten years. Similar to Hillsborough County, funding is determined by a triennial plan submitted by the housing division to the Board of County Commissioners. The ordinance sets out the required contents of the triennial plan, uses of the funds, program administration, and necessary definitions.

2) Increase Zoning Flexibility with a Focus on Accessory Dwelling Units

Zoning flexibility is one of the lowest cost ways to increase the supply of housing; this strategy does not require government spending. Removing burdensome regulation by reducing minimum lot sizes and parking requirements while increasing the types of development that can be built across the City increases the supply of housing and can lower housing costs.

Common objections to zoning flexibility to allow higher densities include increased traffic and loss of community character. Counterintuitively, increasing density in neighborhoods near major employment and/or served well by transit can actually reduce overall traffic by making work, amenities, and services more accessible by walking, biking, a shorter drive, or public transportation, thus lowering the number of cars on the road. Also, allowing for zoning flexibility for smaller changes such as duplexes or triplexes can increase density, along with good design, has very little effect on a neighborhood's character compared to the larger-scale mid- and high-rises typifying current development within the City.

A. Facilitate the Increase of Accessory Dwelling Units

For Presentation

In September 2020, the Gainesville City Commission adopted an ordinance that allows greater flexibility for ADUs. This ordinance, 190988, allows ADUs in all residential zones (including the single family zones where they were formerly banned), removes parking requirements, and removes owner occupancy requirements that made ADUs a less viable option across the city. Going forward, the city should consider working to encourage the use of ADUs as affordable housing (using recent state requirements created during the 2020 legislative session) and to encourage the development of ADUs through education and funding programs.

Preserving ADUs for Affordable Housing

In House Bill 1339 from the 2020 Legislative Session, the state amended Section 163.31771 of the Florida Statutes to encourage local governments to allow ADUs in all single-family districts by cutting the language that local governments first find that there is “a shortage of affordable rentals within its jurisdiction.” One concern with the expansion of ADUs into single-family districts is the possibility of opening neighborhoods to student housing or vacation rentals. House Bill 1339 restricts the development of ADUs for the purpose of affordable rental housing and requires that applicants for building permits sign an affidavit that “the unit will be rented at an affordable rate to an [income-eligible household].” The City may also consider more active monitoring of ADUs through such means as an annual affidavit signing or periodic income verifications, which would have the added benefit of excluding students with parental support, similar to other affordable housing programs.

Education and Financial assistance for Construction of ADUs

Many homeowners know little about zoning or existing regulations for ADUs, as demonstrated by the many questions from homeowners during Housing Action Plan public meetings about what these rules are and if homeowners could construct an ADU on their properties. The City could provide guidance documents that explain what an ADU is, why it is useful (including the benefits of an income stream), and provide design requirements (with sample, pre-approved architectural plans for use by residents) and steps in the permitting process. Local governments can further allow ADUs to qualify for expedited permitting offered to affordable housing developments.

Finally, many cities that successfully champion ADUs also provide funding opportunities to help encourage ADUs and their use for low income families. For example, Santa Cruz, CA has a Revolving Loan Funds for ADUs, that provides low-interest loans to homeowners to construct an ADU. Those ADUs must then be rented to low income households for the next ten years. The City of Gainesville could implement a similar program. Residents that receive financing from the City may also be required to certify the income of renters, a function that may be performed by City staff or contractor, but will ensure the unit is leased to an income-eligible household.

For Presentation

Example:

In Santa Cruz, CA an ADU program created in partnership with the Sustainable Systems Research Foundation and implemented by the county aims to create between 100 and 300 ADUs per year over the next five years. Their program provides low- and moderate-income homeowners with the funds to construct an ADU within their existing property. The county offers loans of up to \$40,000 to homeowners who will agree to rent the ADU or the main house to a low-income household for 20 years at an affordable rent, enforceable by deed restriction. The loan is provided at 3% simple interest and deferred for 20 years. If the homeowner rents the ADU or main house for the full 20-year term, the loan is forgiven. Homeowners may opt out of the deed restriction by paying back the loan at any time. These funds are then recycled for another ADU construction loan. The homeowner is required to match at least 10% of the total ADU project cost, while the Sustainable Systems Research Foundation assumes that a stand-alone ADU will cost closer to \$100,000, most likely requiring another source of funding. Santa Cruz also provides ADU architectural designs of products that meet local zoning requirements.

B. Allow More Housing Types and Sizes “By Right”

The City could promote housing type flexibility in single family zones to encourage “missing middle” housing types such as duplexes, triplexes, town homes and small apartment buildings. The City could also increase maximum lot coverage, reduce minimum lot sizes across the single family districts (RSF-1 through RSF-4), and alter the zoning code to reduce parking, setbacks, and street requirements to encourage the development of affordable housing.

This strategy addresses what is known as the “missing middle.” The missing middle is described as the medium-density stock of housing options between the scales of single-family homes and mid- or high-rise developments; these options range in density from 16 units/acre to 35 units/acre. This includes duplexes, triplexes, courtyard apartments, bungalow courts, townhouses, and other similar structures. They are “missing” in most jurisdictions such as Gainesville because single-family homes are the dominant residential land use. These missing middle housing types create small-footprint, middle-density buildings which are ideal for all different family types. It is a market-based strategy for producing modest housing, which will create housing affordable to households who may not be income eligible for “affordable housing” but need a product that costs less than the typical single-family home in Gainesville.

In an effort to increase zoning flexibility, the City of Gainesville is considering allowing single-room occupancy (SRO) housing either by right or by special use permit in certain non-residential zoning districts. SROs have historically served as affordable housing for low-income individuals, and in contemporary times as housing strategy for elderly and special needs populations. Allowing SROs by right in non-residential zones could facilitate the conversion of buildings such as vacant hotels

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and low-rise office buildings into housing to help end homelessness and provide housing for special needs populations near services and amenities.

A complimentary housing option to SROs that is growing in popularity is co-living. Like SROs, co-living is essentially a form of housing where individuals lease private rooms and share spaces such as kitchens and living rooms. Co-living is designed to offer an affordable housing option, particularly in urban areas to younger workers, where land is scarce and construction costs are high. Co-living units may be fully furnished (even with linens, flatware, cooking utensils and televisions), and come with internet, cable and housekeeping. While tenants sign leases in most cases, some provide access through a membership fee. To further differentiate themselves from traditional apartments, many co-living developments also have programming to create a culture that builds on the sharing nature of the living space, encouraging professional collaboration and social experiences amongst residents. Co-living is growing in popularity among entrepreneurs, freelance workers, and young professionals generally. Co-living appears to be a market response to the need for more affordable housing for this segment of the population. To date, most co-living developments are small (less than 10 residents); however larger developments are happening in major metropolitan areas. One of the major challenges to co-living is zoning laws such as requirements for size, the definition of a dwelling unit, and the number of unrelated residents that may reside in a dwelling unit. In addition to allowing SROs, the City of Gainesville could examine its zoning laws and building codes to remove barriers to co-living as this would provide an attractive and affordable housing option to singles, and potentially seniors seeking an affordable option for active living.

Example:

Rising housing prices have made St. Petersburg unaffordable for many working and retired families. A 2017 zoning review process found broad community concern over rising housing costs. At the completion of that zoning review process, in 2019, the city council created the Neighborhood Traditional Mixed Residential (NTM) zoning category. This category is intended to allow “traditional development,” i.e. the mixed type and size missing middle housing constructed before the middle of the 20th century, across the city that was banned by single-family zoning instituted over the last half century.

The NTM allows “missing middle” building options including quadplexes, triplexes, duplexes, alley homes, and skinny homes. This is a broadening of landowner rights: it does not ban the construction of single-family homes, rather it allows other types of buildings with a maximum of four units per buildings and 30 units per acre. New buildings are limited to two stories to preserve neighborhood character.

C. Provide Development Incentives and Waive or Reduce Fees for Affordable Housing

Zoning and land use regulations impact the financial feasibility of a particular project. There may be certain local development regulations that unnecessarily increase the cost of development without providing a measurable public benefit. These may be regulations that address aesthetics, design, required parking, minimum lot sizes, maximum lot coverages, or other development standards. The City may consider hosting a local workshop with affordable housing developers to identify specific land use regulations that are particularly cost intensive and may be amended or waived in exchange for affordable housing.

Once identified, the City could amend costly land development regulations in exchange for the development of affordable housing units by right. Before giving away valuable development rights, the City should assess how it can condition benefits in exchange for affordable housing production. The City can provide zoning incentives, such as density bonuses, parking reductions, greater lot coverage, zero-lot line configurations, and other benefits in exchange for the development of affordable housing. The purpose of this regulatory reform is to create a zoning system that encourages and facilitates the production of affordable housing. For example, by raising maximum lot coverage, allowing more housing types as of right, raising height restrictions, and reducing setback requirements, a given parcel could house more families.

Additionally, the City could explore waiving or reducing various fees for affordable housing developments. This could include impact fees, rezoning fees, comprehensive plan amendment fees, site plan review, inspection fees, and other fees imposed by the City.

Example:

Daytona Beach's Land Development Code provides that a number of fees can be wholly or partially waived for affordable housing development. The fees that can be altered are fees for: tree removal, building permit, electrical permit, plumbing permit, mechanical permit, stormwater management, subdivision review, and concurrency and traffic review.

D. Expedite Review Processes Whenever Possible

Local zoning and development review processes impact the cost of development. The longer it takes for a project to be approved, the more in overall development costs the project will accrue – especially if the project requires several public hearings or board approvals. The private sector values predictable development standards that are easy to navigate. The City should strive for “by right” development as much as possible to facilitate the development of housing that is affordable. For example, for an incentive-based density bonus program, clear requirements should be established at the outset to attract private sector involvement. If affordable housing incentive

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programs are unpredictable and based on varying levels of discretionary review, the private sector likely will choose not to engage with the incentive programs altogether.

Additionally, whenever feasible, the City should assess its various development requirements and consider how to expedite, waive, and amend certain processes in exchange for the production of affordable housing. Processes that can be expedited include site plan review, re-zonings, variances, and any official action that has the effect of permitting the development of land. Whenever feasible, the City could delegate authority to approve various steps of the review process to department directors in lieu of a public hearing board approval.

Local governments in Florida that receive SHIP funds are required by law to expedite permits for affordable housing projects to a greater degree than other projects. The City could assess its expedited permitting process to determine whether it can decrease the time it takes for an affordable housing project to be permitted. This requires coordination among all the departments responsible for approving a development. The City could offer expedited reviews for market-rate developments that agree to set aside a certain number of units for affordable housing.

Example:

In the City of Orlando, the Housing and Community Development Department, Planning Division, and the Office of Permitting Services worked together to form the Expedited Housing Development Approval Process. A Housing Expediter is assigned who serves as the lead staff member responsible for coordinating the City's review through the various departments. The Expediter performs an initial review of the project applying for certification to determine whether it meets income criteria. The Expediter then communicates with other departments and serves as the key contact between City staff and the project developer. In addition, the Planning Division and Permitting Services Division each assign a staff person to serve as Ombudsman for certified housing projects. This ensures that issues are addressed early and can be resolved quickly. The City of Orlando also prioritizes projects meeting the City's residential green building principles.

3) Increase Equity by Promoting Permanent Affordability

Equity in housing development and property management is one of the most common issues raised during the Housing Action Plan Community Meetings. A major concern of residents is displacement caused by gentrification. Lower income residents who have been long time renters in their neighborhoods are concerned about higher income people buying land, increasing property values, and displacing low-income residents from their neighborhoods on the one hand or large developers buying large tracks of homes and replacing them with student apartments on the other.

A. Support a Community Land Trust

A community land trust (CLT) is a description of both a strategy and a nonprofit organization that create permanently affordable housing. CLTs provide affordability by separating the ownership of the home from the ownership of the land underneath. The home is conveyed in fee simple to the CLT homebuyer while the land is leased, subject to a 99-year ground lease. Under this arrangement, the CLT homebuyer only pays for the price of the home (subject to a resale restriction) with a nominal monthly ground lease fee. Due to the nominal ground lease fee, the cost of the land is removed from the transaction, making the CLT home an affordable option as an alternative to renting. CLTs are also an effective means of subsidy retention in that initial subsidies to the unit remain with that unit to serve for generations as the home remains perpetually affordable.

The CLT as an organization holds the 99-year ground lease and provides stewardship to ensure that the home is sold to low-income buyers at a resale restricted price. Because the sales price of the home does not include the value of the land, home buyers pay less from the beginning. Over the long term, CLTs place income restrictions on the resale of the home. While different formulas for resale are used, they all allow CLT homeowners to generate equity that they can use to buy a market rate home in the future while lowering the sale price of the home for the next buyer.

According to Gainesville's Analysis of Impediments to Fair Housing (AI), African Americans make up 22.39% of the population, and a larger percent of the non-student population, but own homes at a rate of 16.26%. Additionally, one of the City's goals (Goal #2) in the AI is to "Increase homeownership opportunities for low-and moderate-income persons and protected class members." CLT homeownership can create an opportunity for homeownership for long-term residents who hope to own a home. CLTs serve as a stabilizing force for neighborhoods experiencing gentrification by preserving affordability in perpetuity.

The City of Gainesville, along with the County and other surrounding municipalities, have been exploring the community land trust model for several years. The City adopted their 2018-2022 Consolidated Plan and LHAP Strategies which included a strategy to support CLTs in Gainesville. Concurrently, a grassroots effort aimed at addressing equity in housing within the Gainesville community resulted in the establishment of Communities that Care Community Land Trust. This new 501(c)(3) is working to build capacity as it seeks to serve as the CLT for Gainesville. However, a formal relationship has yet to be formed. Response at the Housing Action Plan's housing meetings has been extremely positive to the CLT concept and commentators have seen the CLT as a compliment to a wide variety of affordable housing policies.

The City of Gainesville can demonstrate leadership in supporting CLT by initiating a joint request for proposals with Alachua County and other surrounding municipalities for organizations

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interested in operating a CLT for the area. The primary role of the CLT would be to manage the disposition of surplus land for the development of permanently affordable housing. Developers would build on the land with a ground lease from the CLT. In addition to land, the City and other local governments would support initial CLT operations utilizing general revenue funds and other in-kind services if needed. The CLT can also serve to manage affordable units built by the private sector that are created through an affordable housing incentive program. By taking away the responsibility of managing long-term affordability from the market-rate developer, the private sector may be better encouraged to produce affordable units.

Example:

There are a variety of ways a city can create, attract, or steward a CLT. Some CLTs are created by and with a high level of oversight from their city governments. Delray Beach Community Land Trust (DBCLT) was incorporated in January 2006 to create and steward a supply of permanently affordable housing for very low- to moderate-income households. The City of Delray Beach and the Delray Beach Community Redevelopment Agency (DBCRA) performed a CLT feasibility study and convened a steering committee that ultimately established DBCLT. The DBCRA and the DBCLT still work closely together. The CRA donates land, provides grant funding, and the CLT staff work out of CRA office space. The CLT's board is a traditional tri-partite structure, with the majority of its members being community residents and CLT homeowners. DBCLT's portfolio is comprised over 80 owner-occupied units and 7 rental units. The CLT also manages 37 rental units owned by the DBCRA.

Other CLTs are established with oversight from a regional or statewide nonprofit or CLT. These organizations benefit from funding, land donation, and local government board members. The Central Florida Community Land Trust, set up to oversee affordable housing in the counties around Orlando, is managed by Bright Community Land Trust. Bright CLT, formerly Pinellas Community Housing Foundation, has expanded into a statewide CLT with hundreds of properties. Partnering with the Central Florida Foundation, Bright CLT was able to create a locally focused Central Florida CLT that benefits from Bright CLT's experience and reach.

In many communities, CLTs spring up organically. These organizations are often the most in need of land and funding donations, as well as citywide recognition and access to office space or other administrative resources. The Hannibal Square CLT, formed in 2004, was created to preserve affordability in a traditionally African American community in Winter Park, Florida. Since then, the organization has built almost two dozen homes and partnered with cities outside of Winter Park to preserve affordable housing in perpetuity.

B. Prioritizing Land for Permanent Affordability

A well-run surplus land program can leverage land to create a plethora of affordable housing. This can be accomplished in several ways, but one of the most powerful is the donation of surplus land to CLTs. Setting up policies where surplus land is accessible to affordable housing developers, particularly CLTs, and where land is donated efficiently can dramatically impact the efficacy of a CLT. This can include city owned lands, but CLTs can also partner with congregations or school boards in order to construct affordable housing.

Example:

Palm Beach County works with the CLT of Palm Beach County to preserve affordability. The city has donated numerous homes and empty lots, while the CLT rehabs existing homes (sometimes using city SHIP dollars) or constructs new homes. The affordability of these homes is then preserved under the CLT ground lease.

C. Structuring Subsidy Sources for Permanent Affordability

The City could immediately incorporate CLT add-on language to its purchase assistance strategy and revise its HOME program to utilize the resale approach rather than the recapture approach. The City could examine any other potential source of purchase assistance or developer subsidy and make sure program regulations allow efficient use with CLT.

Example:

The City of Delray Beach has a strategy in its SHIP Local Housing Assistance Plan (LHAP) to assist first-time homebuyers with the principal reduction for the construction/acquisition of new/existing single-family homes within the Delray Beach Community Land Trust inventory. The City provides up to \$75,000 in SHIP funds for this strategy.

In 2020, Leon County amended its Local Housing Assistance Plan (LHAP) and incorporated language to provide purchase assistance and development subsidy to CLTs and CLT homebuyers. Under their down payment assistance strategy, the County offers up to \$20,000 for purchase assistance to CLT Homebuyers. For their home ownership development strategy, the County offers up to \$50,000 to the local Community Land Trust for land acquisition, infrastructure and development costs, and all other associated fees and permits to reduce the sale price to income eligible first time homebuyers. Leon County's LHAP is considered a best practice in regard to assisting CLTs.

D. Assign an Employee to Implement a Policy Review Process for Housing and Equity

Expedited permitting (for any and all permits or land use changes needed to develop affordable housing) and an ongoing process of review for all comprehensive plan or land development policies are two statutory requirements for all jurisdictions that receive SHIP funds. A specific employee within the housing office for the City and County could be tasked with developing and facilitating the process for an affordable housing impact analysis that would meet the intent of the statutory requirement for ongoing review to consider the impact on housing and equity of all newly adopted plans and policies. This employee could also be charged with shepherding affordable housing applications through the relevant reviews (not just building permits) to expedite permitting.

Five-Year Action Plan

The chart below details actions steps the City of Gainesville can take over the next 5 years to implement the recommended strategies detailed in this plan. City of Gainesville elected officials and staff can utilize this action plan to track progress internally and for reporting to the public.

DIVERSIFY FUNDING SOURCES					
ACTIONS	YEAR TO COMPLETE				
	1	2	3	4	5
Linkage Fee – Draft Ordinance for Nominal Linkage Fee	X				
Linkage Fee – Complete Nexus Study			X		
Linkage Fee – Draft Ordinance for Broader Linkage Fee				X	
Linkage Fee – Approve Ordinance by City Commission Vote				X	
Employer Assisted Housing Program – Survey or meet with large employers to determine interest	X				
Employer Assisted Housing – Work with consultant on program design		X			
Employer Assisted Housing – Launch program			X		
Land Database – Develop plan including approach to identifying properties, platform for use, management of the database, and marketing and disposition policies			X		
Land Database – Launch the database				X	
Land Database – Implement technical assistance for religious organizations and private property owners with properties in the database					X
Congregational Lands – Partner with nonprofit organization to develop land on congregation owned lands		X			
Congregational Lands - Meetings on affordable housing development on congregation owned lands			X		

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Congregational Lands – RFP and selection to select congregational partners			X		
Congregational Lands – Development of affordable housing				X	X
SHIP – advocacy (ongoing)	X	X	X	X	X



INCREASE ZONING FLEXIBILITY					
ACTIONS	YEAR TO COMPLETE				
	1	2	3	4	5
Accessory Dwelling Units – complete draft of updated regulations; conduct public outreach to explain changes		X			
Accessory Dwelling Units – develop program documents to include pre-approved plans and financing			X		
Accessory Dwelling Units – present updated regulation and program to City Commission for approval		X			
Accessory Dwelling Units – implement new regulation and program, including public outreach			X	X	
Other Zoning Flexibility – reexamine land use development regulations to address housing affordability to include identifying zoning districts in which the City will invoke the provisions of HB 1339	X				
Other Zoning Flexibility – conduct public engagement for proposed changes		X			
Other Zoning Flexibility – bring final proposed changes to the City Commission for approval			X		
Other Zoning Flexibility – implement changes			X	X	



PERMANENT AFFORDABILITY AND EQUITY					
ACTIONS	YEAR TO COMPLETE				
	1	2	3	4	5
Community Land Trust – develop and open RFP for organization to operate CLT for the City		X			
Community Land Trust – select a nonprofit to operate a CLT for the City		X			
Subsidy sources – incorporate CLT add-on language into purchase assistance programs and otherwise revise programs to accommodate CLT	X				
Surplus Land – include preference for permanent affordability in disposition policy			X		
Housing and Equity Policy Review Process – assign staff to develop and implement	X	X	X	X	X

Measurable Outcomes

Implementation alone of the strategies may be considered success. However, true success is measured in the number of units produced and preserved by these strategies. The proposed metrics can be used as benchmarks for success of these strategies:

- Facilitate the development of **200 non-subsidized rental units** of affordable housing through a combination of accessory dwelling units, missing middle units, and affordable units as part of mixed-income developments benefiting from incentives
- Create or preserve **300 subsidized rental units** of affordable housing through new construction or acquisition and rehabilitation
- Support the development of **100 homeownership units** affordable to low- and moderate-income households, including 20 units for CLT homeownership



Appendix 1: Current and Projected Housing Data

While the housing overview provided a summation and the key data points related to housing and demographics in Gainesville, Appendix 1 provides a deeper dive into the data that helped shape the Housing Action Plan.

Housing and Household Characteristics

The vacancy rates for both homeowner and rental units in Gainesville are much higher than the US as a whole. This may be partially due high student populations (which increase rental turnover, meaning that at any point some rental units are vacant), but does not fully explain the issue.

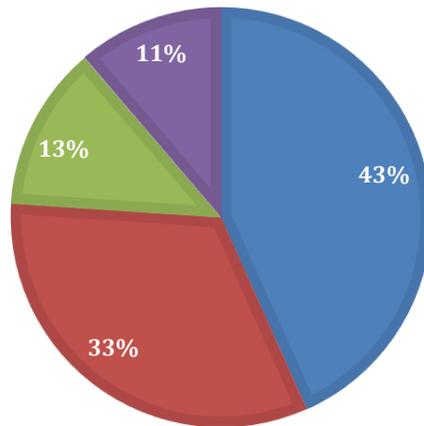
Vacancy Rate	Gainesville	US
Homeowner Vacancy Rate	4.9%	1.7%
Rental Vacancy Rate	17%	6%
US Census, 2018 ACS 5 Year Estimates		

For Presentation

Understanding the types of housing available in Gainesville is important to help understand what residents have access to and what they need. From the two charts below, the first on household size and the second on number of bedrooms, it is clear that there are not nearly as many one bedroom units available in Gainesville as there are one and two person households that might be looking for a smaller, cheaper unit.

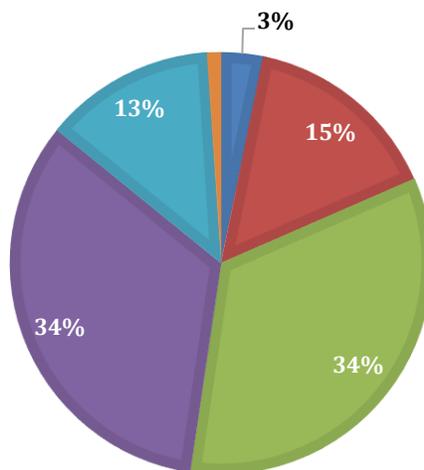
HOUSEHOLD SIZE IN GAINESVILLE

■ 1-person household ■ 2-person household ■ 3-person household ■ 4-or-more-person household



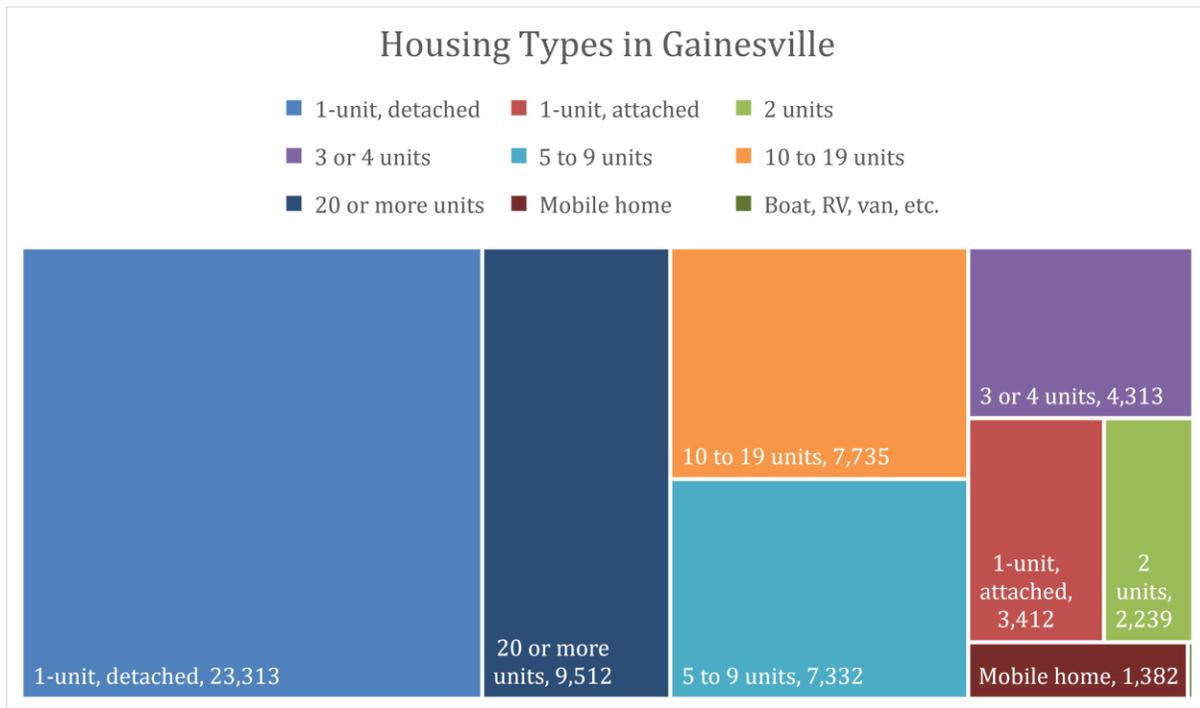
NUMBER OF BEDROOMS IN GAINESVILLE

■ No bedroom ■ 1 bedroom ■ 2 bedrooms ■ 3 bedrooms ■ 4 bedrooms ■ 5 or more bedrooms



US Census, 2018 ACS 5 Year Estimates

The chart below shows the number of homes by type, from 1 unit detached (single family homes) all the way up to large scale multifamily developments (20 units are more). The most common housing type in Gainesville is single family, but this is followed closely by large scale rental developments (20 units or more and 10-19 units). Intermediate “missing middle” housing like townhomes (1-unit attached), duplexes, tri- and quad-plexes, and smaller “garden apartments” are less common.



US Census, 2018 ACS 5 Year Estimates

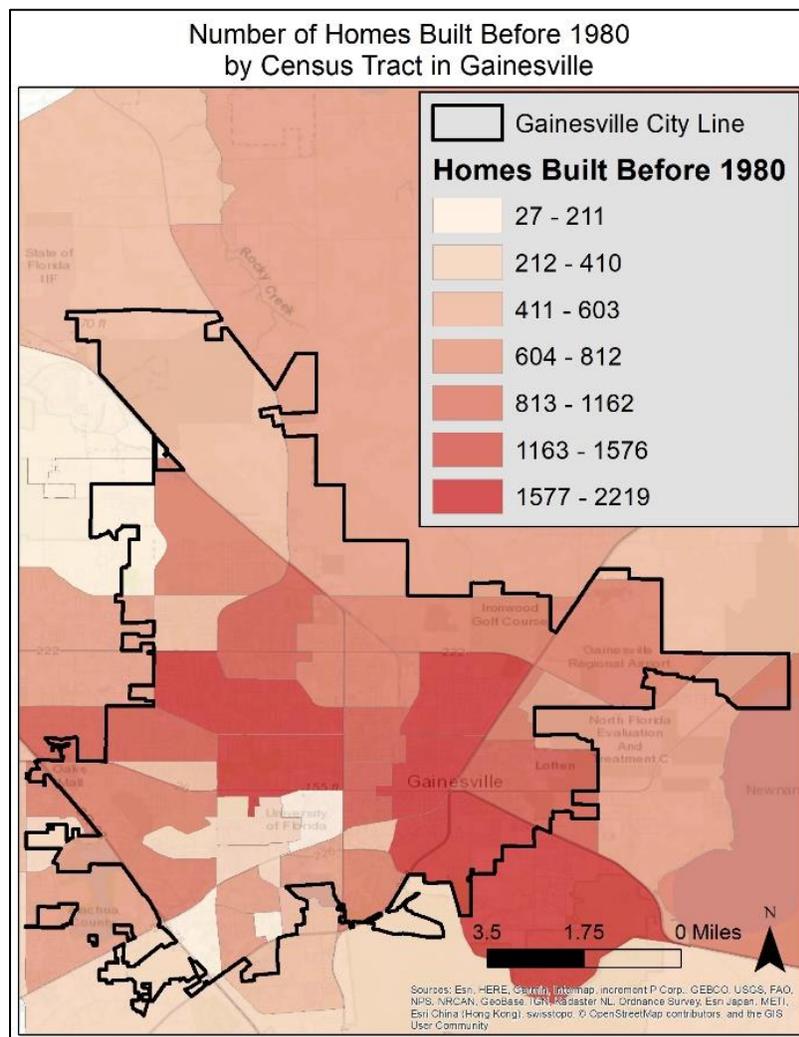
Gainesville’s owner-occupied housing is relatively affordable compared to the US as a whole: the median home in Gainesville costs \$154,400 compared to \$204,900 for the nation.

Value of Owner-Occupied Housing in Gainesville	
US	\$204,900
Gainesville	\$154,400



2018 ACS 5 Year Estimates

Older housing tends to be more affordable and thus is an excellent source of naturally occurring affordable housing. Unfortunately, older homes also have a plethora of potential problems: they may not be accessible to people with disabilities, they may be in need of serious repairs, and, perhaps most dangerously, many homes built before 1978 may contain lead paint, one of the country's most devastating environmental health risks. Charting where older homes are in Gainesville is useful both to see where older homes provide a resource for low income families and to see where City resources could be targeted for repairs.

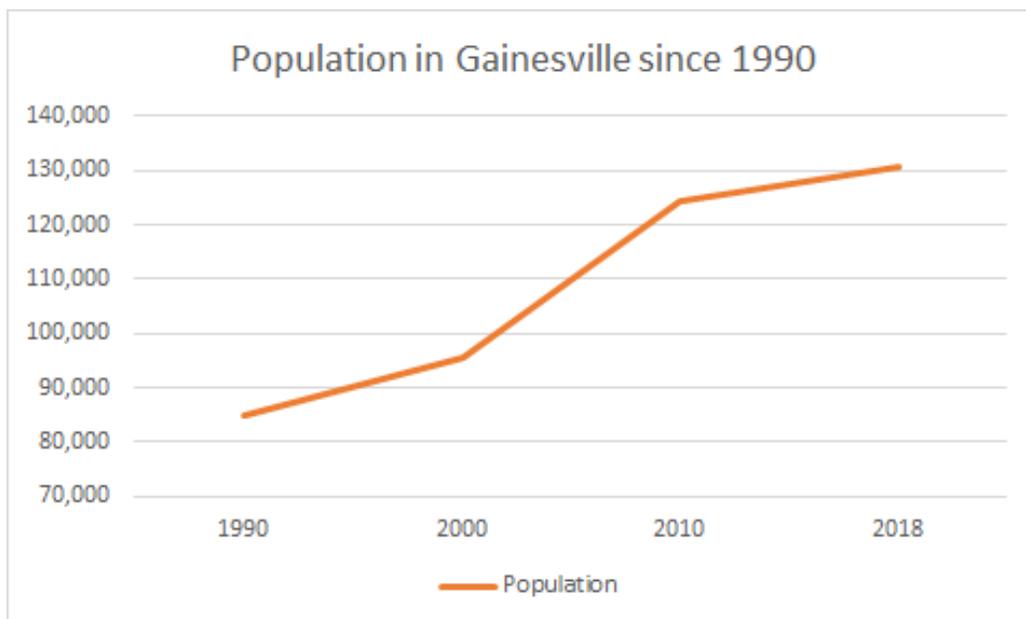


Homes Built Before 1980, 2018 ACS 5 Year Estimates

Population

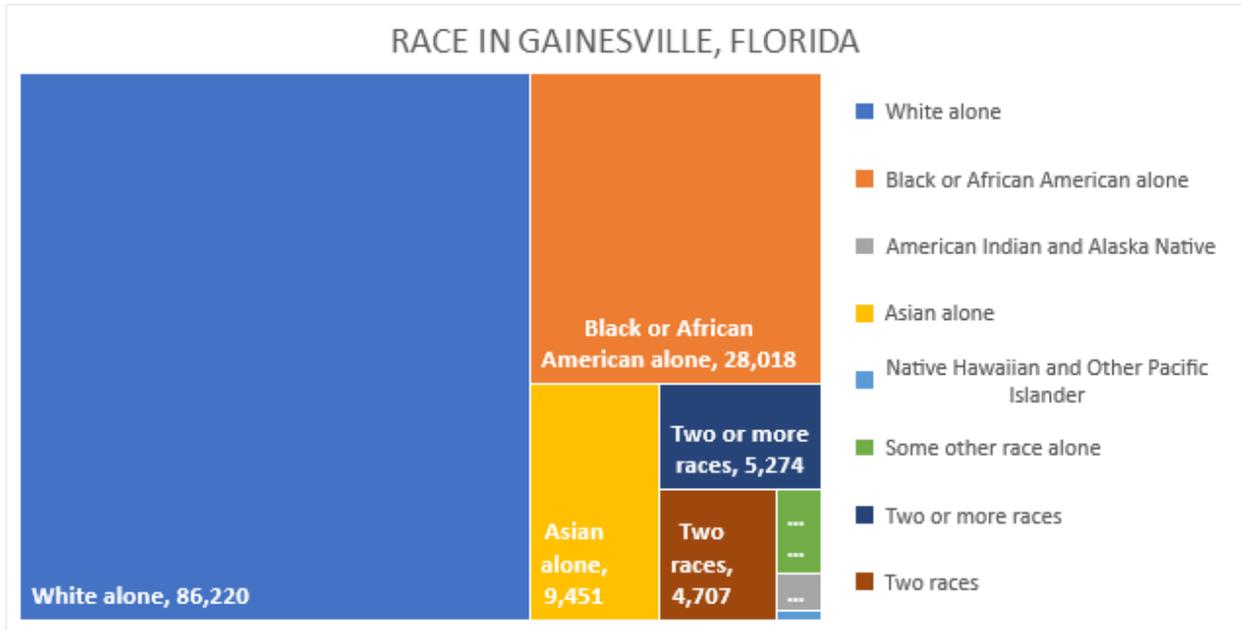
While housing is a basic human need, it is also a commodity that's price is subject to the law of supply and demand. Between 1990 and 2018, Gainesville saw a 54.3% increase in the number of residents living in the City. Increased population leads to a need for more housing that, if unmet, drives up housing prices as more renters and buyers compete for a limited supply of housing.

Gainesville Population since 2010	
% Change since 1990	54.3%
2018	130,790
2010	124,271
2000	95,447
1990	84,770
US Census, Various Years	



Racial Demographics

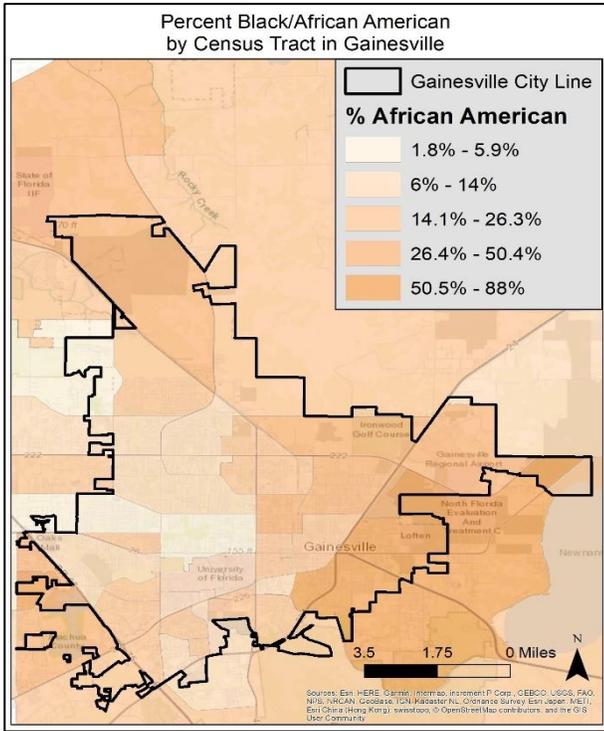
White people make up the majority of Gainesville’s residents, although the City has substantial African American, Asian, and Hispanic populations. The Chart below shows the proportion of the population by race in Gainesville.



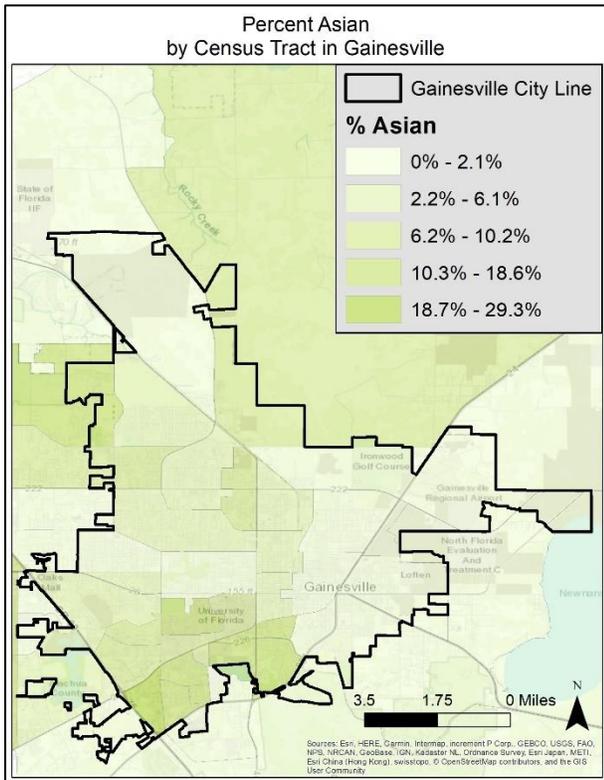
While lower than Florida as a whole, a substantial minority of Gainesville’s residents are Hispanic or Latino.

Ethnicity in Gainesville		
	#	%
Hispanic or Latino (of any race)	17,508	13.1%
Not Hispanic or Latino	116,343	86.9%

Where and how people live is often connected to race. Most cities in the United States have a history of racial segregation: in Gainesville, African Americans have historically lived in East Gainesville while white people have lived downtown and to the west of the City. While state

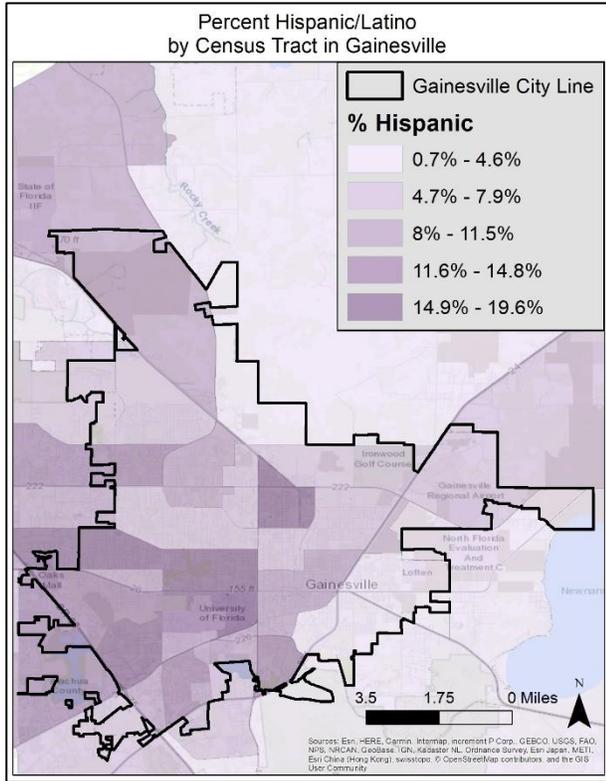


The map for African Americans is nearly inverted from the map of white people in Gainesville: the census tracts to the east of the City are overwhelmingly African American.



While there are relatively few people of Asian descent in Gainesville, there are several census tracts to the South and West that have substantial (up to 29.3%) Asian populations.

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Again, while there are relatively few Hispanics in Gainesville, the Hispanics that live here mostly live near University of Florida.

Income

Across the country, income varies dramatically by race. This is also true in Gainesville, where the median income for a white person is over \$15,000 higher than the median income for an African American.

Income by Race	
Black or African American	\$ 25,684
American Indian and Alaska Native	\$ 27,417
Asian	\$ 31,576
Native Hawaiian and Other Pacific Islander	-

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Some other race	\$ 32,434
Two or more races	\$ 29,567
Hispanic or Latino origin (of any race)	\$ 31,055
White alone, not Hispanic or Latino	\$ 42,973
2018 ACS 5 Year Estimates S1903	

Homeowners tend to be wealthier than renters everywhere, but the divide is more pronounced in Gainesville. The Median owner in Gainesville makes close to the median income in the country: \$64,770. Renters, meanwhile, make only \$24,856, close to a third of what owners make. While some of this divide is almost certainly explained by Gainesville's large student population, a 2018 US Census measurement that excluded students from 2016 poverty related data showed that Gainesville's poverty rate (without students) was still almost double the national average.

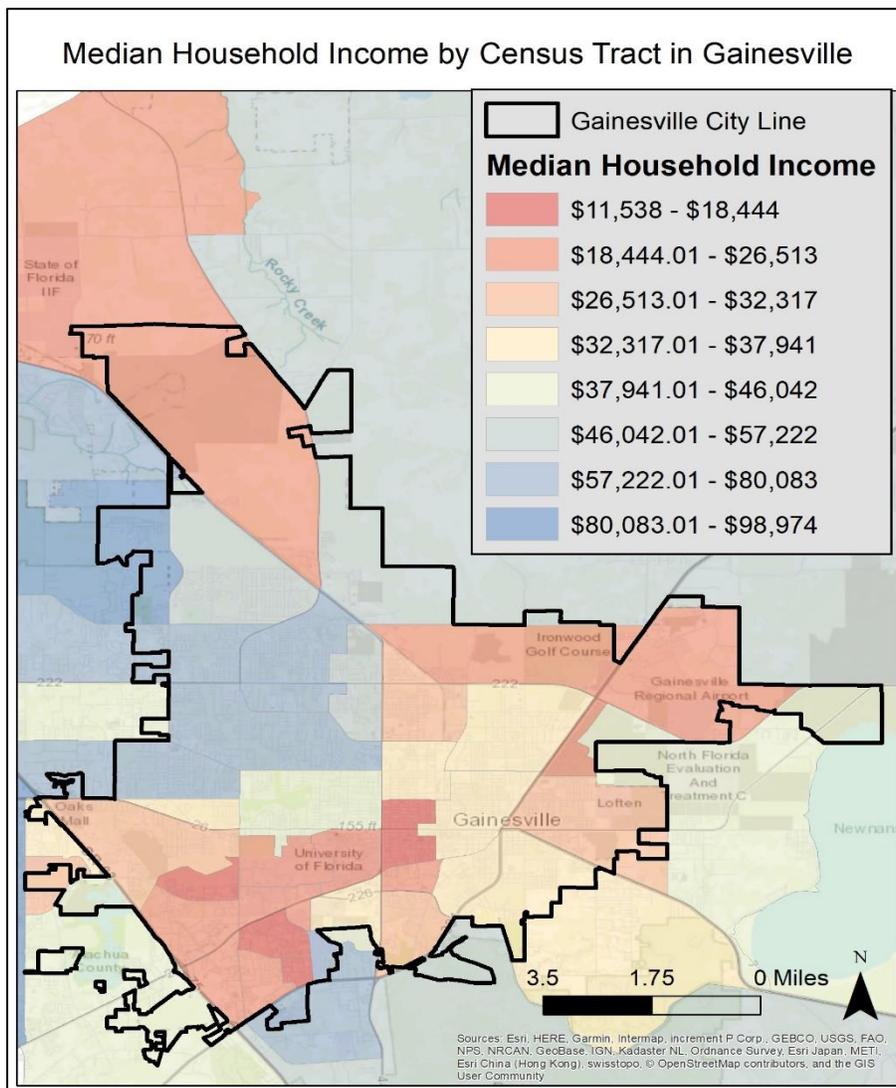
This large number of students looking for low cost housing itself poses a problem to long-term, low-income residents. Without a proper balance of guaranteed affordable units, new student development, and anti-gentrification efforts like community land trusts, students may move into low cost areas and compete with low income residents for the limited supply of naturally occurring affordable housing.

Income by Tenure	
Total:	\$ 36,389
Owner occupied (dollars)	\$ 64,770
Renter occupied (dollars)	\$ 24,856
2018 ACS 5 Year Estimates Table B25119	

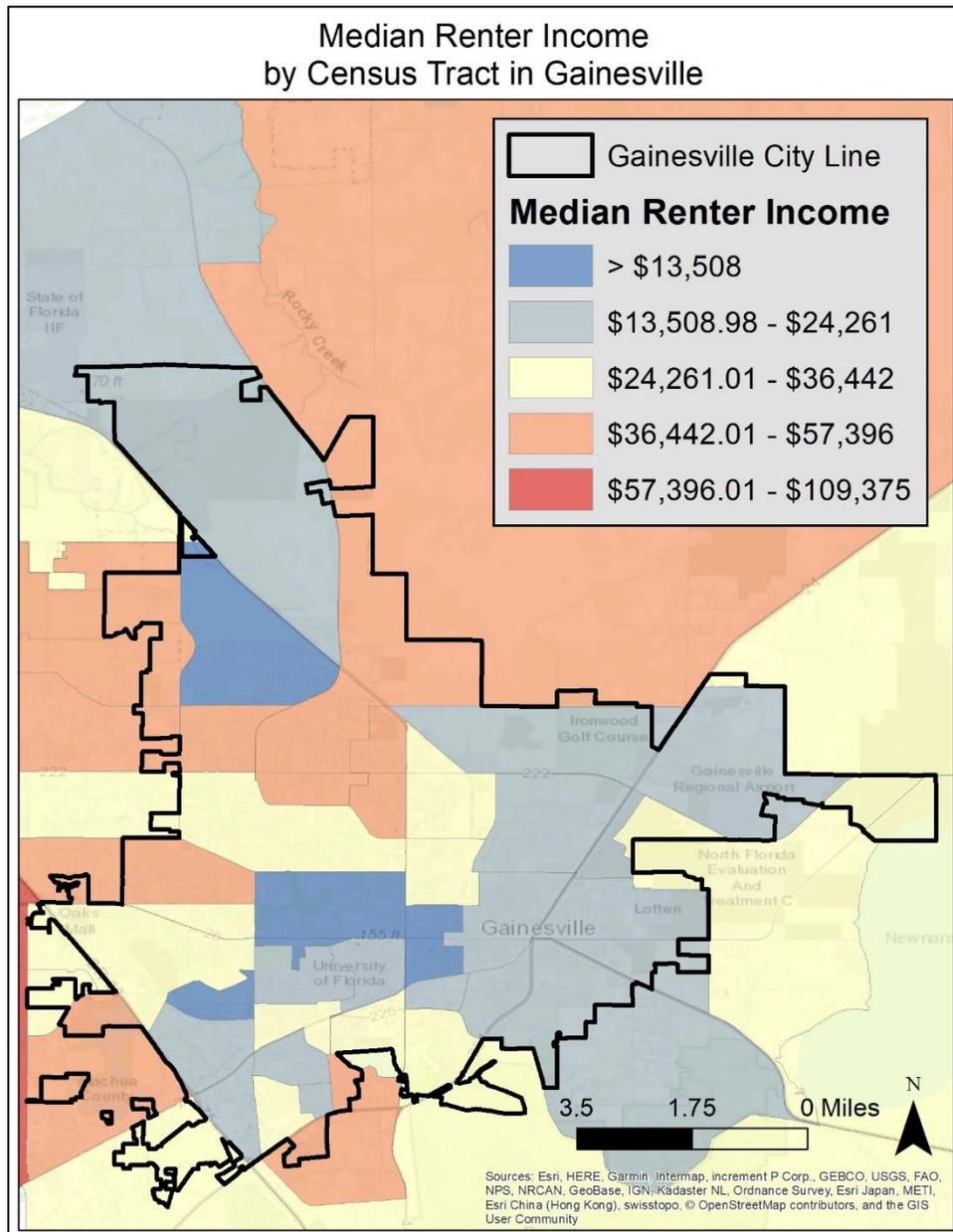


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This map and the maps below provide median income, median renter income, and median homeowner income. Median income for all households is dramatically higher in west Gainesville than it is near UF's campus (where median incomes are among the lowest in the City) and in East Gainesville. Median incomes range from as low as \$11,538 in areas near UF to \$98,974, in the north west of town. In East Gainesville, where many long term, non-student, low income households live, median incomes range from \$18,444 to \$32,317: that is the median income in most census tracts to the east of downtown are below the Citywide median incomes.

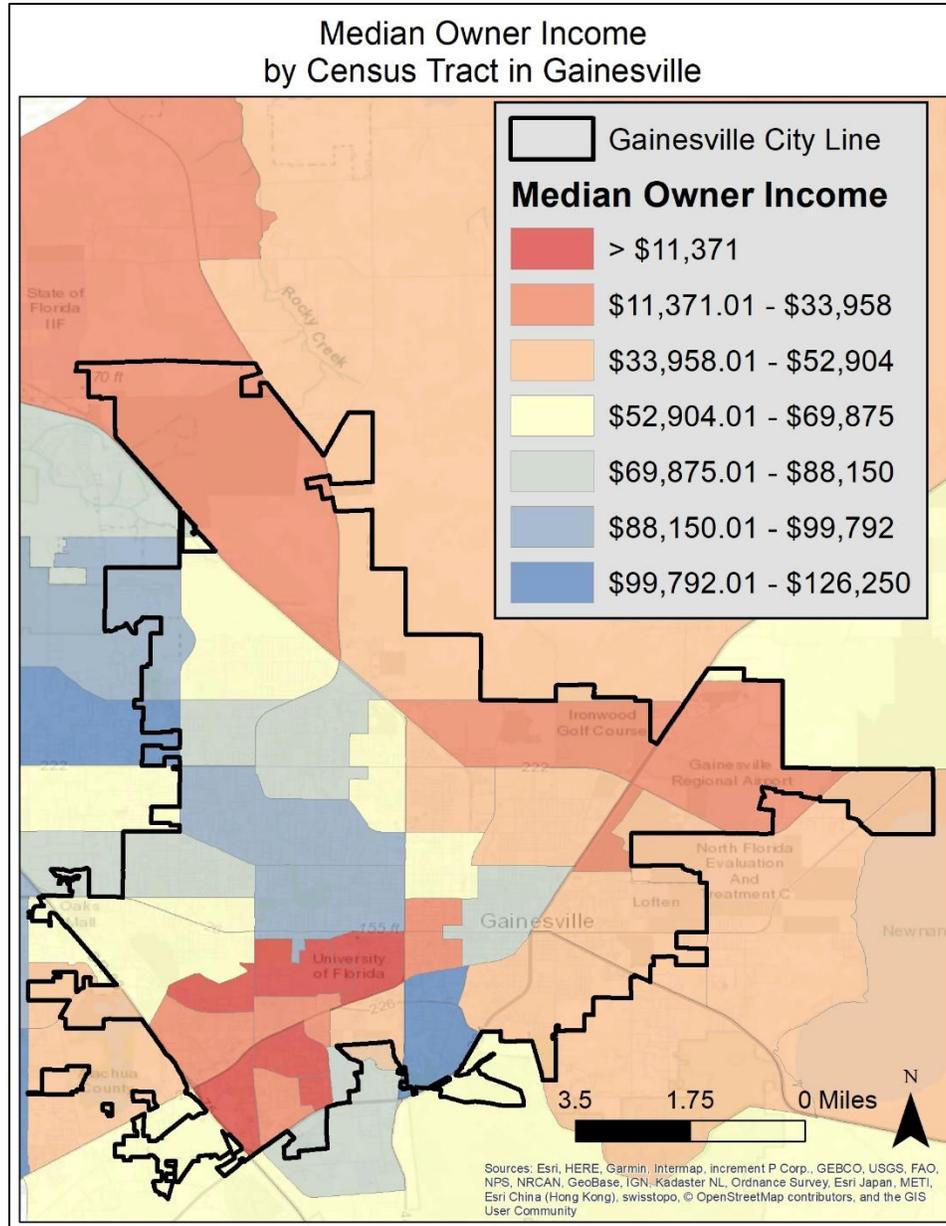


Renters, overall, make far less than either the median income or homeowners. However, their geographic distribution is interesting: many renters living in otherwise prosperous census tracts (like the dark red census tract to the north west of downtown) make relatively low incomes.



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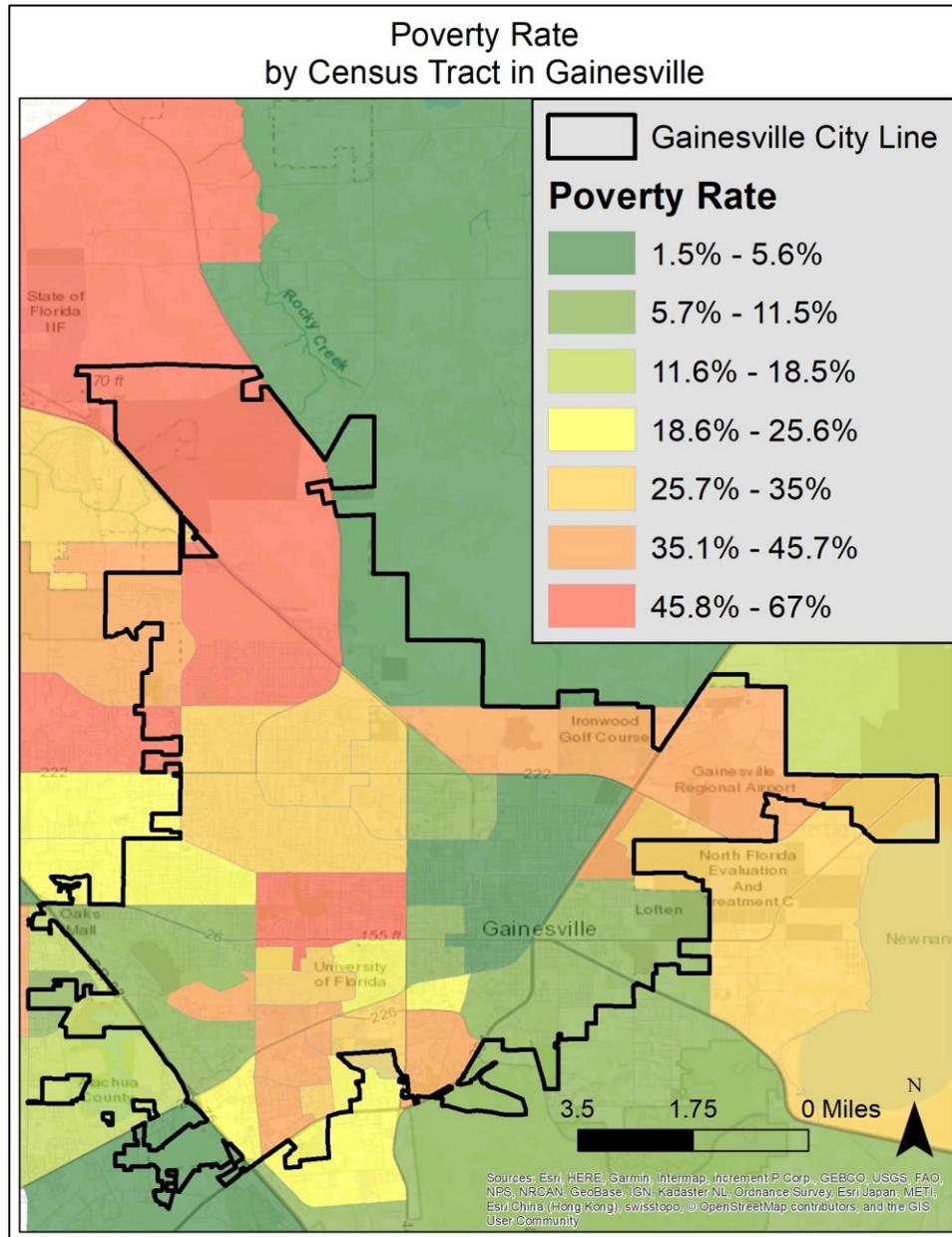
While all three maps look substantially the same, from the median owner household income map it's clear that: owners households tend to be better off than renter households, and areas of downtown that have a preponderance of lower income renters have middle or even high income owners.



Poverty Rate

31.4% of people lived in poverty in Gainesville in 2018 according to the US Census. However, the poverty rate has substantial variations by area. Areas near the university, in the far, more rural

north of the City, and in North East Gainesville have over 35% of their residents living in poverty, while the northern core of downtown has a poverty rate below 6%.



Poverty Rate, 2018 ACS 5 Year Estimates

While the US Census does not calculate poverty with and without students every year, the latest release of this data (2016) showed that Gainesville had a substantial number of students that drove up the City's poverty rate. However, the poverty rate in Gainesville was still nearly double the national poverty rate in 2016 (12.7%).

City of Gainesville, Florida	
2016 Population	114,251
% Off Campus College Students	23.6%
% of All People in Poverty	34.8%
% of people in poverty, excluding students	22.6%
Difference	12.2%
US Census	

Cost Burdened Households

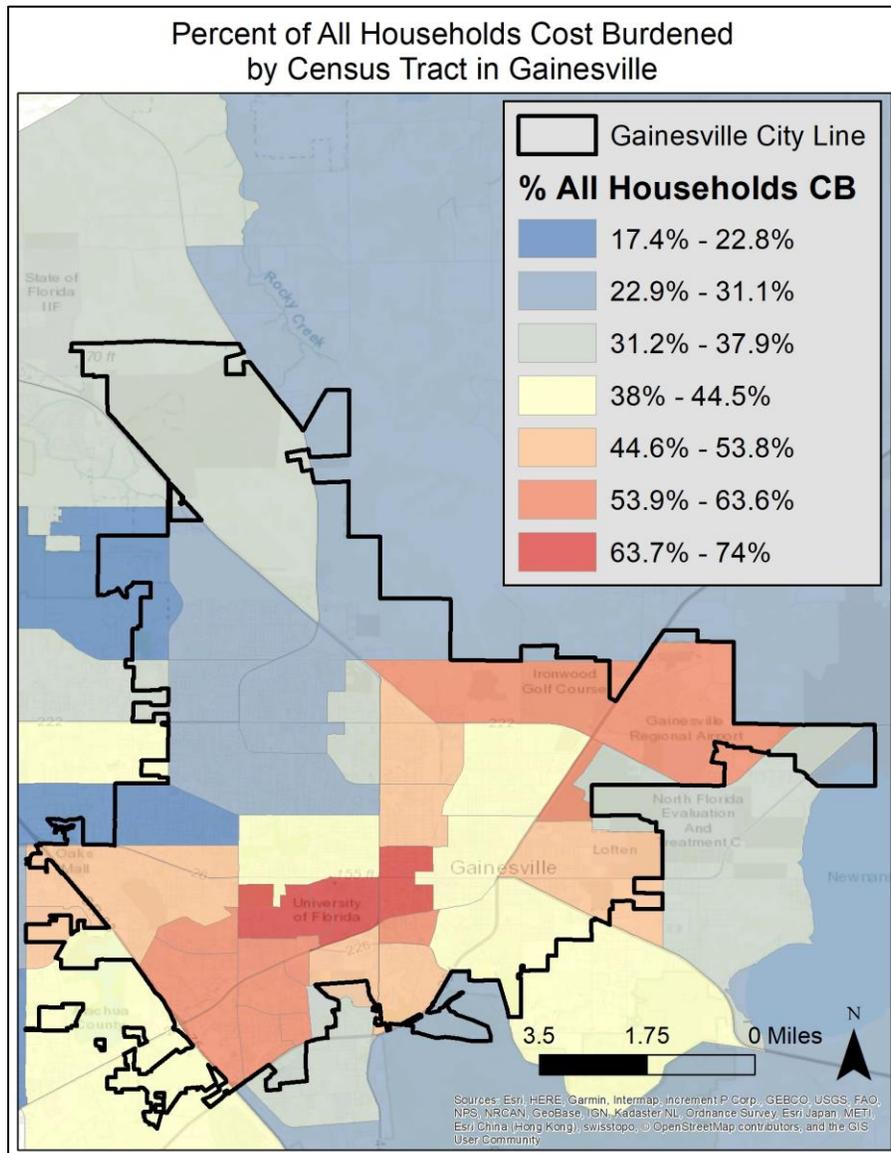
The most important measurement of housing affordability used by affordable housing planners is “cost burden.” When a household spend more than 30% of their income on housing, particularly if they are low income, it means they may not be able to afford other basic necessities like food, medical care, and transportation. A household that spends more than 30% of its income on housing is also far more likely to face serious problems in the case of an emergency: when a car breaks down, someone in the household loses their job, or a natural disaster forces people to stay home or repair their homes, these households are likely to fall behind on mortgage payments or rent.



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The following three maps lay out cost burden in Gainesville:

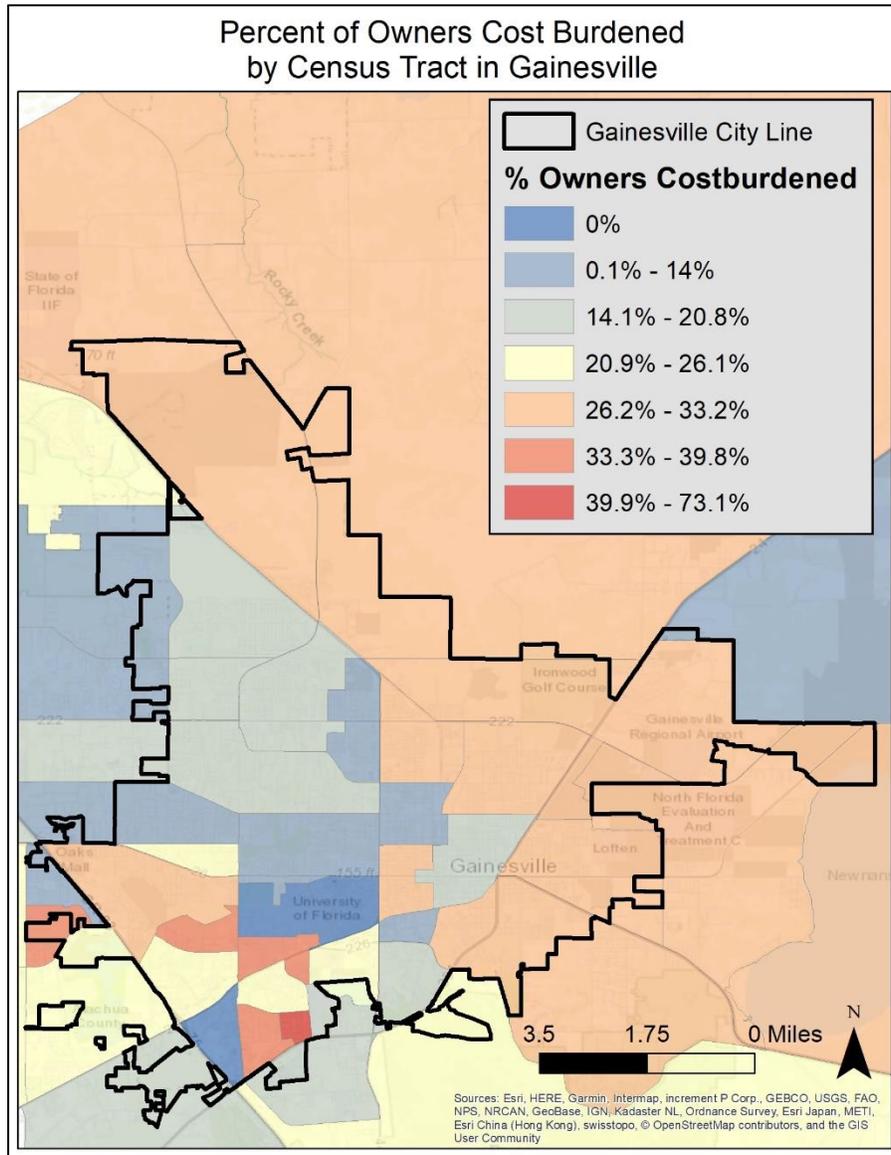
The most heavily cost-burden areas in the City are, not surprisingly, student heavy tracts around the University of Florida. However, the next highest concentration of cost burden is to the south and east of downtown. 38% or more of households in these are cost burdened, with over 50% of the residents in some of these tracts paying more than 30% of their income towards housing.



Cost Burden, 2018 ACS 5 Year Estimates

For Presentation

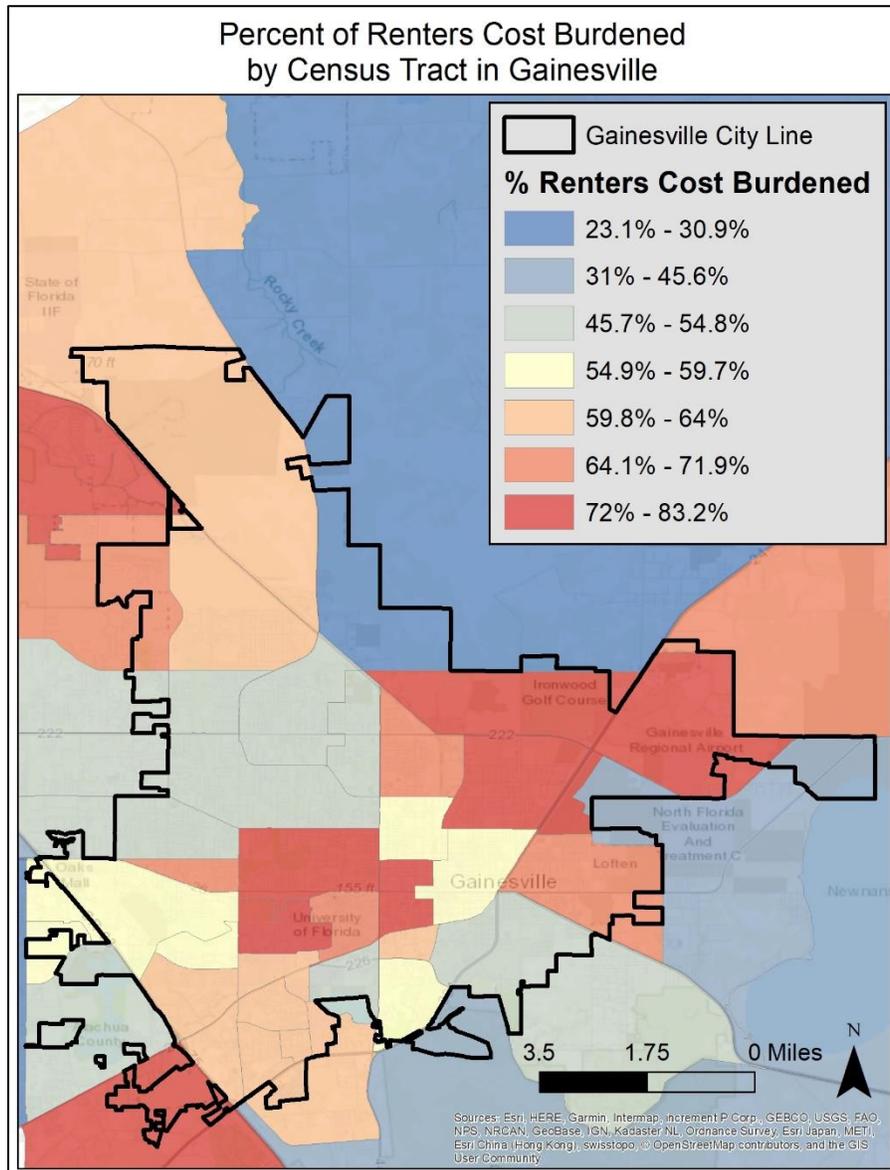
Housing Cost Burden is overall lower for homeowners than renters. However, the geographic divide in cost burden is clearer among homeowners: East Gainesville owner residents pay dramatically more of their income towards housing than homeowners on the west side and parts of downtown.



Homeowner Cost Burden, 2018 ACS 5 Year Estimates

For Presentation

Finally, renter cost burden is dramatically higher than homeowner cost burden. This is of course true in the area around campus, but it is also true in north East Gainesville where between 72% and 83.2% of renter households are paying more than 30% of their income towards rent. This extreme level of cost burden not only harms individual households: at this level, whole communities are hurt by high turnover and eviction rates, people moving frequently, and emergencies devastate the whole neighborhood.

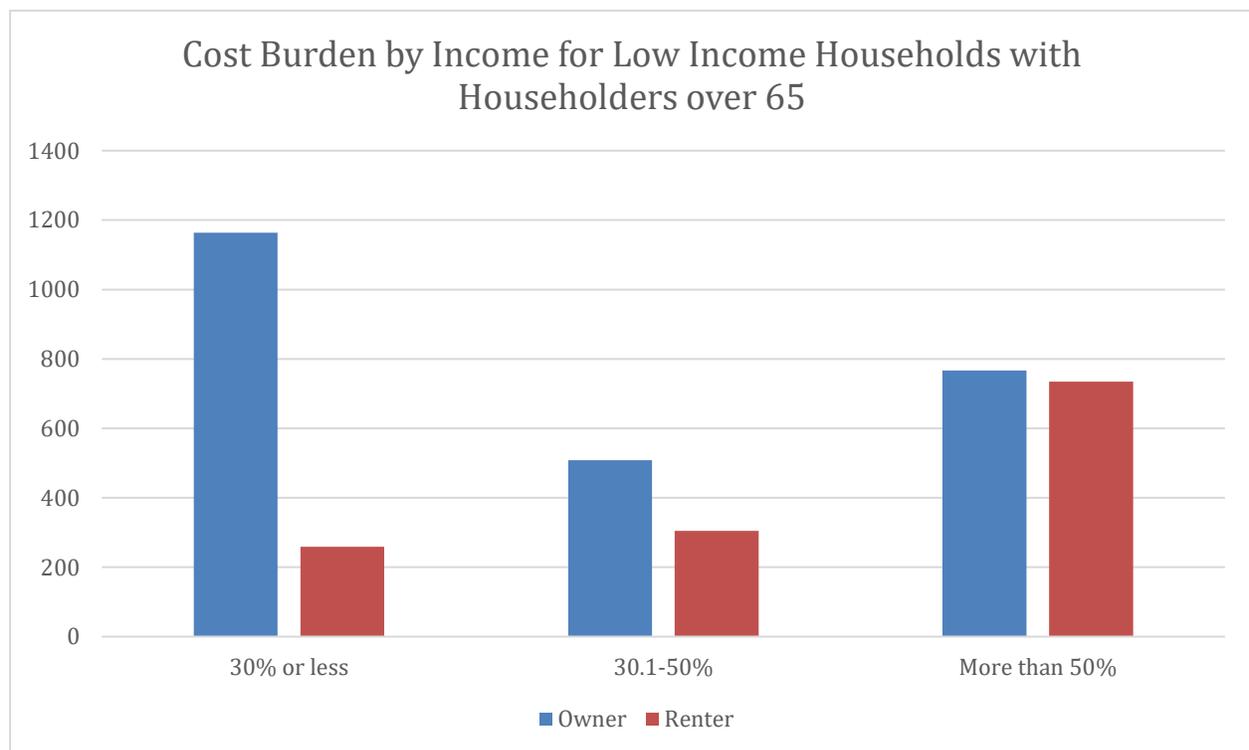


Renter Cost Burden, 2018 ACS 5 Year Estimates

Cost Burden for Older Adults

Another special concern raised across the housing forums and via the housing survey is affordable housing for older adults. While older adults are proportionately less likely to be cost burdened than younger people, cost burdened seniors face difficulties unique to them. Most people over 65 are no longer working, and so if they are experiencing cost burden it is most likely on a fixed income. For cost burdened senior households, this fixed income does not give them room to save or meet emergency needs and, when rents or housing costs rise, may force them from their homes.

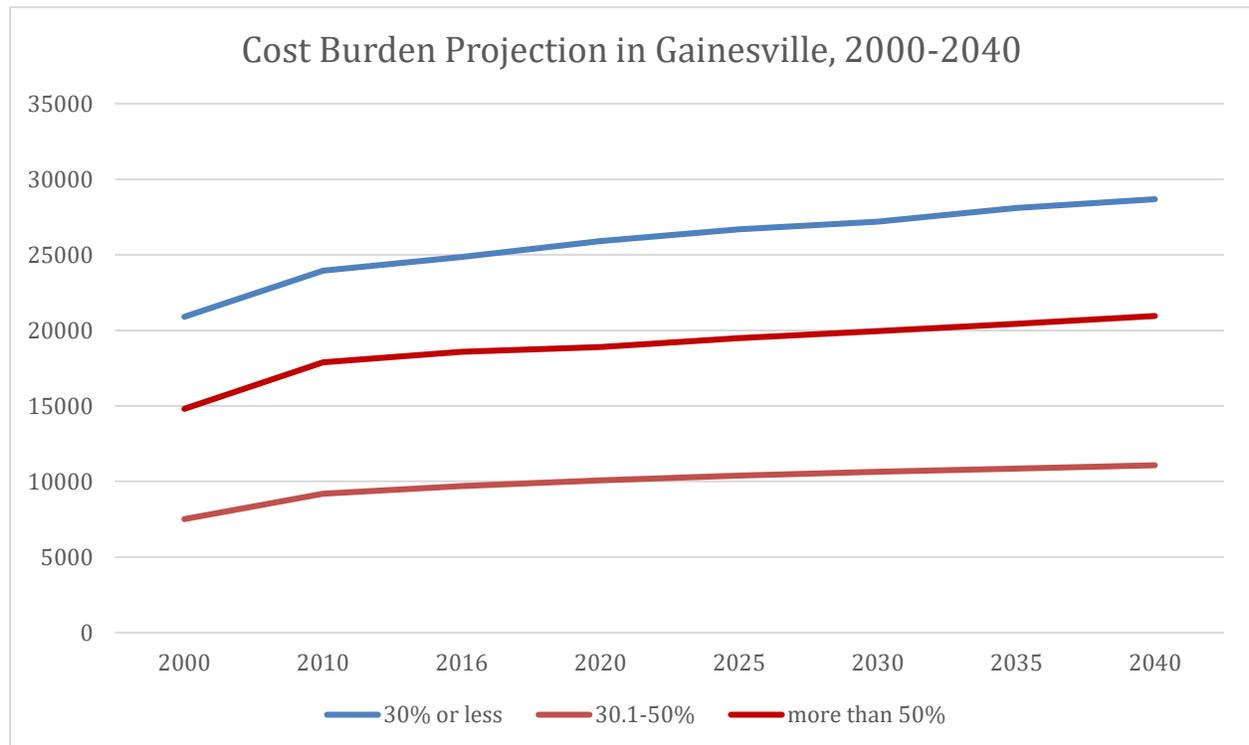
The following chart shows the number of low-income, senior led households in Gainesville that are not cost burdened (paying less than 30% of their income towards housing), cost burdened (spending between 30.1%-50% of their income), and severely cost burdened (spending more than 50% of their income towards housing). The majority of low-income senior renters pay more than 50% of their income towards housing: this is completely unsustainable over the long term. While homeownership low income senior households are less likely to be cost burdened than renters because there are more of them there are actually more cost burdened, low income seniors in Gainesville than renters. All in all, the majority of low-income seniors are cost burdened, which may put their health, lives, and ability to live independently on the line.



Shimberg Center for Housing Studies

Projected Cost Burden Households through 2040

The following chart shows the cost burden projections from the Shimberg Center for Housing Studies at University of Florida. Population is projected to continue to rise steadily through 2040, with about an equal rise in not cost burden, cost burden, and severely cost burden households.



Subsidized Housing Developments

While this report takes an expansive view of housing affordability, considering housing built under a number of housing programs and considering the effects of policy on naturally occurring affordable housing, publicly supported affordable housing is still a key part of ensuring people have access to housing they can afford. The following table lists subsidized housing developments, along with their target population and the number of affordable units they provide.

For Presentation

<i>Development Name</i>	<i>Assisted Units</i>	<i>Target Population</i>	<i>Affordability Start Date</i>	<i>Overall year of Subsidy Expiration</i>
12th Road Home	6	Persons with Disabilities	2013	
Alternative Housing, Inc.	12	Persons with Disabilities	1987	2027
Arbours At Tumblin Creek	64	Elderly; Family; Link	2013	2065
Carver Gardens	100	Family	1970	2034
Deer Creek Senior Housing	62	Elderly	2017	2071
Eden Park At Ironwood	104	Family	2000	2052
Forest Green Apartments	100	Family	1971	2040
Gardenia Gardens Apartments	100	Family; Link	1967	2064
Glen Springs Home	6	Persons with Disabilities	2014	
Hampton Court	42	Family	1980	2035
Horizon House Apartments	40	Family	1971	2054
Housing For The Handicapped Alachua Co I- 6th St.	12	Persons with Disabilities	1985	2026
Housing For The Handicapped Alachua Co II-9th St.	12	Persons with Disabilities	1987	2027
Lewis Place At Ironwood	112	Family	1999	2061
Magnolia Place Home At The Arc Of Alachua County	6	Persons with Disabilities	2017	

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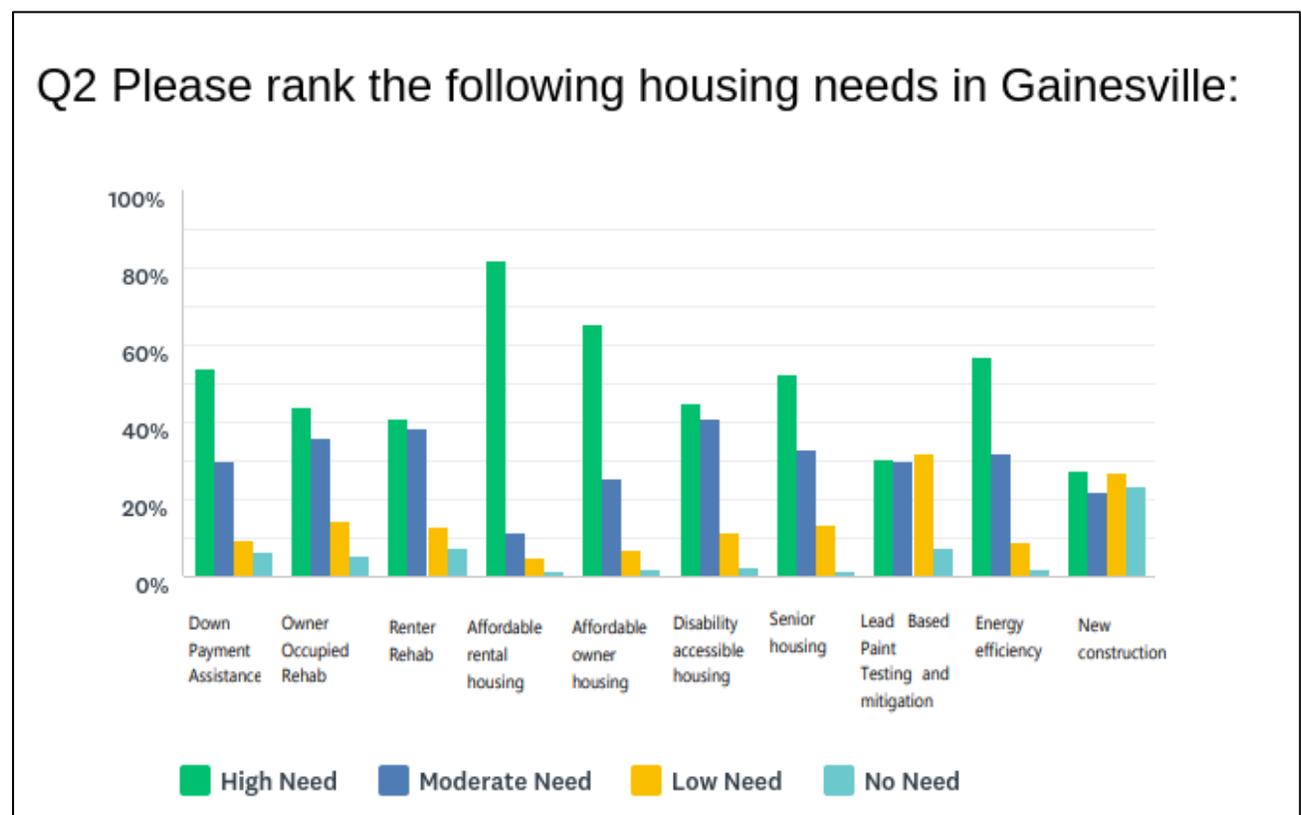
New Horizons Properties I - Joyce Apts.	8	Persons with Disabilities	1985	2025
New Horizons Properties III- Transitions	8	Persons with Disabilities	1990	2030
New Horizons Properties IV - Choice Apts	16	Persons with Disabilities	1997	2037
Oak Park, Sunshine Park	171	Elderly; Family	1970	
Pine Grove Apts	96	Elderly	1985	2031
Pine, Lake, Forest, Caroline	239	Elderly; Family	1971	
Savannah	178	Family	2001	2020
Sunset Apartments	40	Family	1971	2054
Sunset Satellite Apartments	20	Persons with Disabilities	1986	2038
The 400 Apartments	101	Elderly; Family; Link	1979	2066
Tiger Bay Court	96	Family	2006	2058
Treehouse Village	49	Family	not avail.	
Village Green Apartments	100	Family	1972	2036
Village Oaks	91	Family	1999	2051
Woodland Park I	96	Family; Link	2016	2068
Woodland Park, Eastwood Meadows	218	Elderly; Family	1981	

Appendix 2: Survey Responses

The City of Gainesville and the Florida Housing Coalition released a survey to collect the feedback of Gainesville residents, landlords, housing developers, and housing organizations. The survey received 385 responses over five months, with the bulk of responses in December when it was featured on the City of Gainesville’s home page. Below is a breakdown of the survey results.

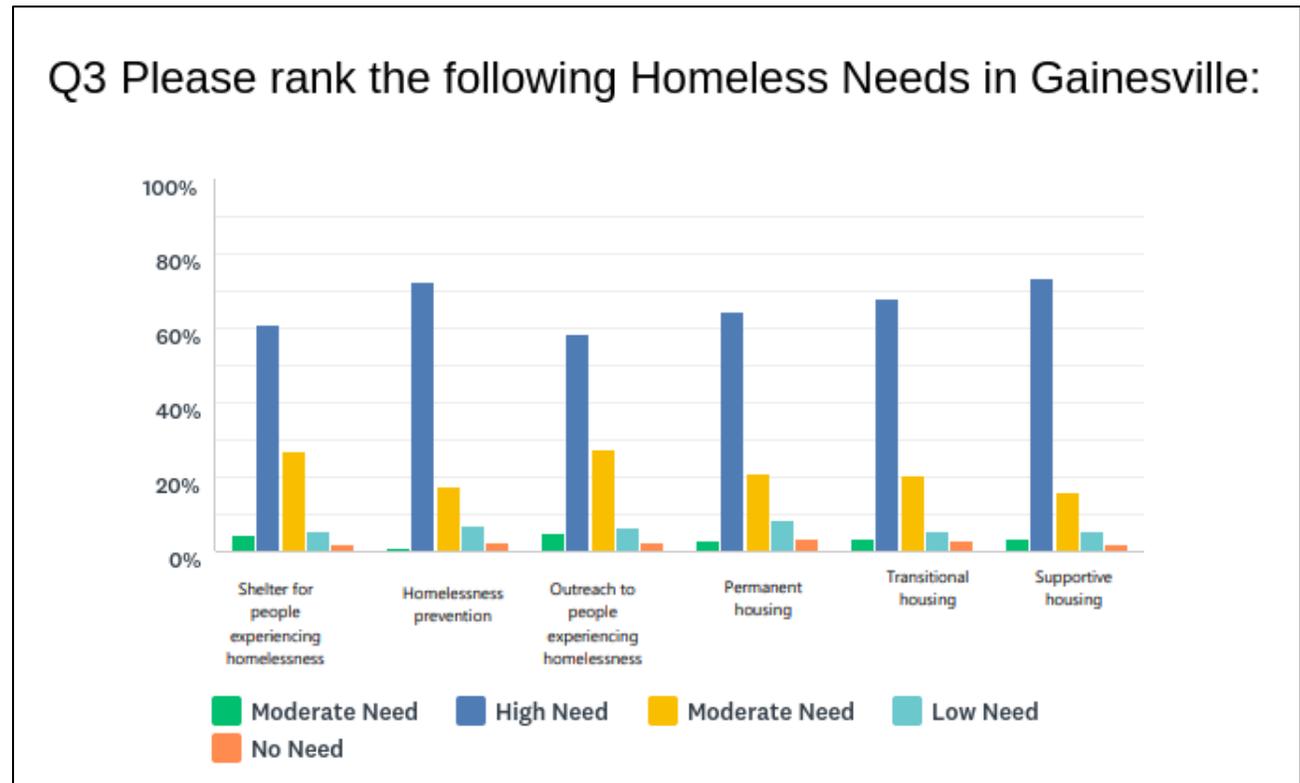
Priorities on Housing

When asked about their priorities, Gainesville choose “access to affordable rental housing” as the number 1 affordable housing issue, followed by “access to affordable homes for purchase.” Notably, “new development” was the most divisive, and most likely to receive the response “no need.”



Priorities on Homelessness

On homelessness, there was no clear outlier of lower support. The most popular responses were “homelessness prevention, including rental assistance and rapid rehousing,” and “supportive housing programs.” However, support was broad for ending homelessness programs in Gainesville.



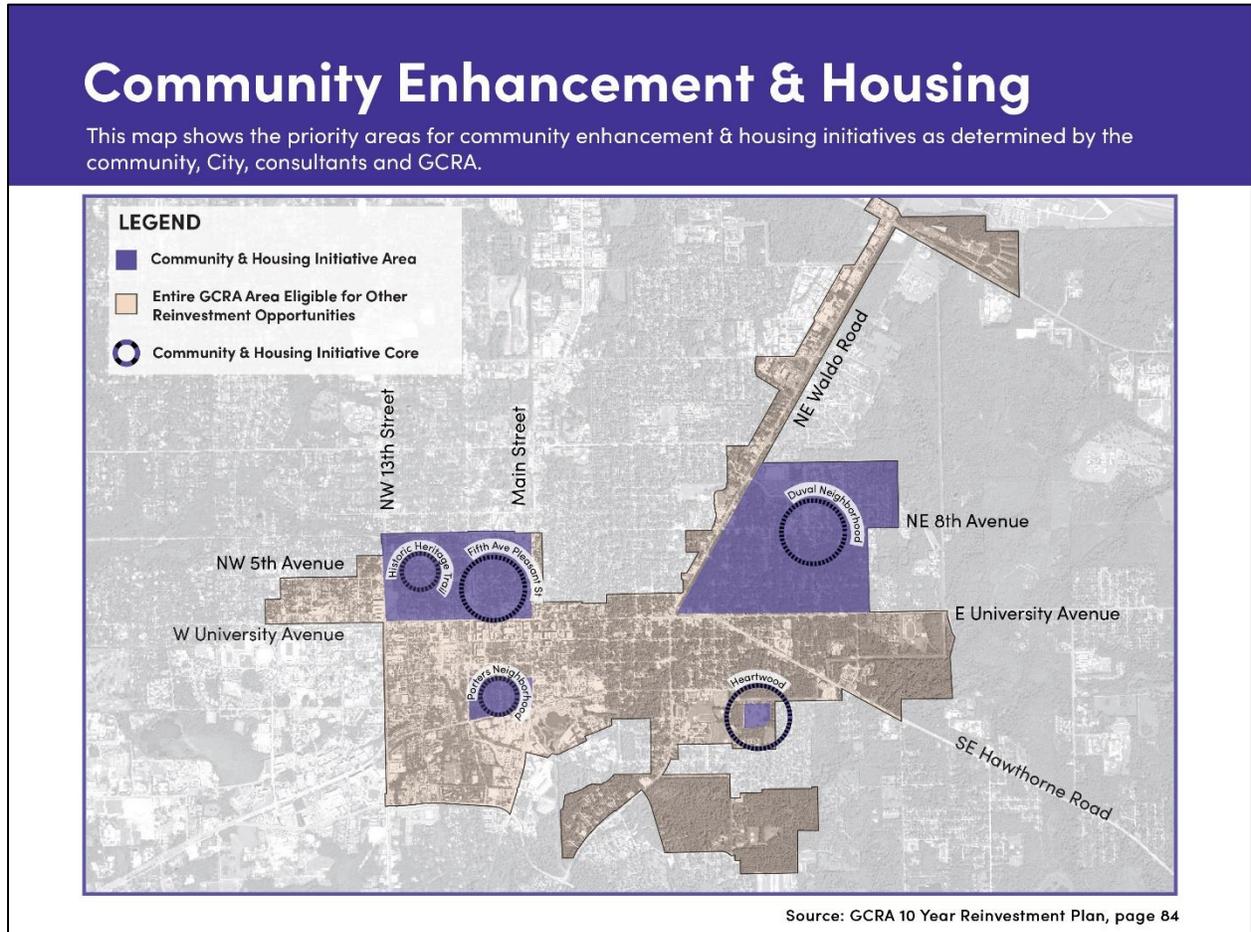
Inequality and Access

The vast majority of residents Gainesville residents believe that affordable housing is concentrated in the City. Respondents overwhelmingly felt that affordable housing was concentrated in the far northwest and Eastside of Gainesville, responses which matched closely with our data analysis. Many respondents also noted that racial minorities were concentrated in these low-income areas. Respondents also felt that East Gainesville had poorer access to transportation, higher crime, and a lack of quality schools, which left people feeling trapped between a house they could afford and the services they needed.



Appendix 3: Gainesville Community Reinvestment Area (GCRA)

This map shows the priority areas for community enhancement & housing initiatives as determined by the community, City, and GCRA. The rings are sized in proportion to the strength of support community members gave for those areas.



Appendix 4: Discussion of Cost of Common Affordability Subsidies and New Construction

This plan seeks to harness state and federal funding, alongside local government funds and Gainesville’s private sector, to construct a broad range of affordable housing types. The cost of particular strategies depends on how those strategies are implemented with the “buy-in” from the Gainesville’s non-profit and for-profit sectors. This section seeks to provide data on the City’s current expenditures on affordable housing through the SHIP program and cost per square foot of new construction in the metropolitan statistical area. The following chart provides expenditures for the 2017-2018 Gainesville SHIP Annual Report. These numbers can act as a rough estimate of the cost of various home rehabilitation and construction projects.

Strategy	Expended Amount (2017-2018)	Units	Amount per Unit
Down Payment Assistance	\$45,600.00	6	\$7,600.00
Roof Replacement	\$46,462.95	4	\$11,615.74
Homeowner Rehabilitation	\$126,290.05	3	\$42,096.68
House Replacement	\$141,320.90	2	\$65,660.45
Mortgage Foreclosure Intervention	\$5,000.00	1	\$5,000.00
Rental Assistance	\$33,000.00	8	\$4,125.00

House replacement, unsurprisingly, is the most expensive expenditure under Gainesville’s SHIP program, with two homes constructed for an average cost of \$65,660.45. Even this is unlikely to be the full cost for a new home, with the rest of the costs borne by insurance or the homeowner. Homeowner rehabilitation in the city was also quite expensive, at over \$40,000, while roof replacement was only \$11,615. Non-construction expenditures were relatively low per unit, including \$7,600 per down payment assistance, \$5,000 per mortgage foreclosure intervention, and \$4,125 per rental assistance.

Builder Magazine, in partnership with Metrostudy, provides up to date housing construction cost data. As of July 2020 the median cost per square foot for new housing in Gainesville was \$135, with an average home prices of \$234, 298, an increase of \$16 per square foot from \$119 in 2018³.

³ Builder Magazine, “Local Housing Data Powered by Metrostudy, Gainesville, FL.” Accessed 10/20/2020



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